MONTANA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

for the fiscal year ended June 30, 1986

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STATE OF MONTANA
SELECTED STATE OFFICIALS

EXECUTIVE

Ted Schwinden
Governor

George Turman
Lieutenant Governor

JUDICIAL

Jean Turnage
Chief Justice

LEGISLATIVE

Bill Norman
President of the Senate

John Vincent
Speaker of the House

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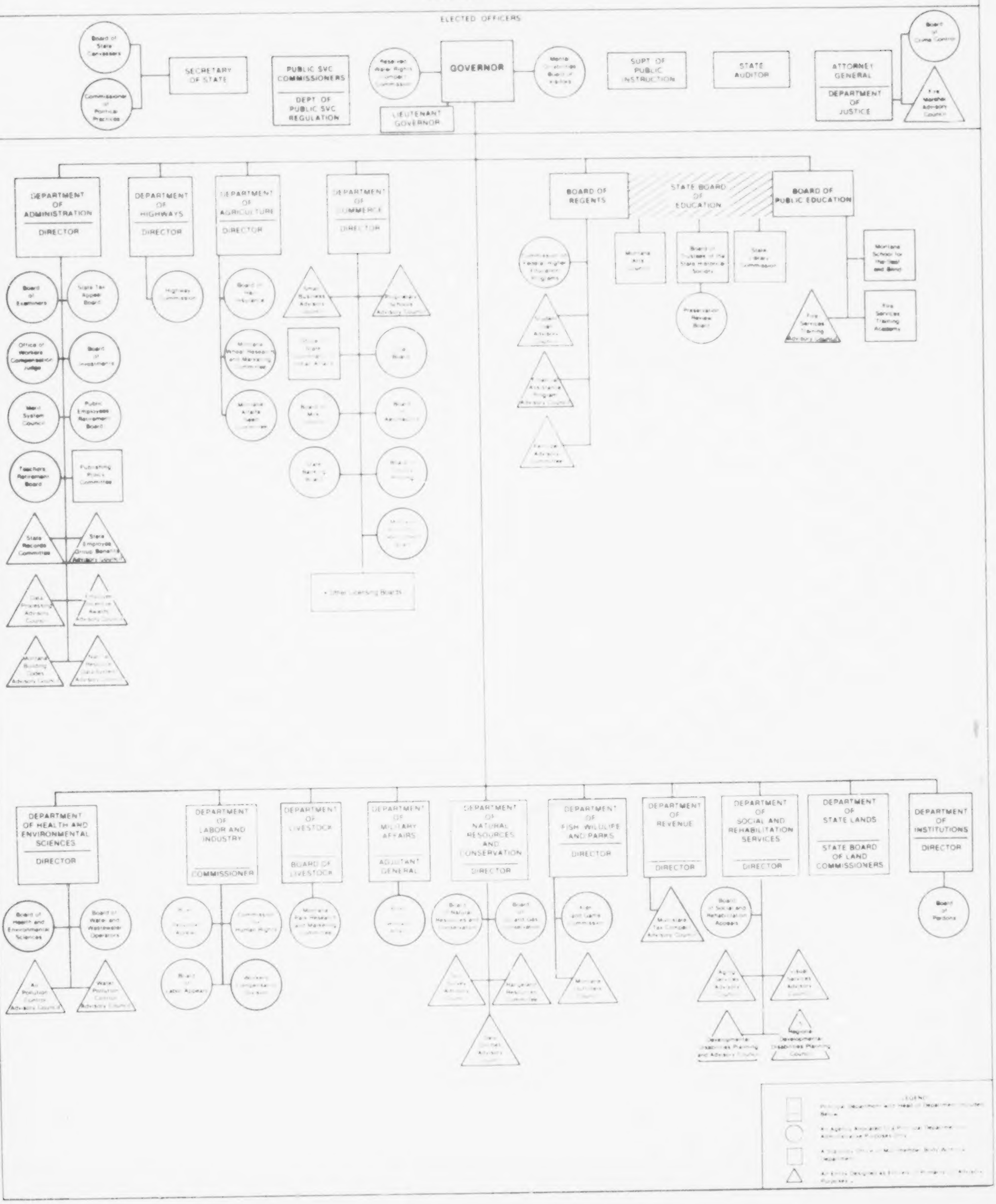
STATE OF MONTANA
ORGANIZATION OF THE EXECUTIVE BRANCH

SEPTEMBER 1, 1984


ELECTED OFFICERS
Board of State Canvassers
Commissioner of Political Practices
SECRETARY OF STATE
PUBLIC SVC COMMISSIONERS
DEPT OF PUBLIC SVC REGULATION
Reserved Water Rights Compact Commission
GOVERNOR
LIEUTENANT GOVERNOR
SUPT OF PUBLIC INSTRUCTION
STATE AUDITOR
ATTORNEY GENERAL
DEPARTMENT OF JUSTICE
Board of Crime Control
Fire Marshal Advisory Council
DEPARTMENT OF ADMINISTRATION
DIRECTOR
Board of Examiners
State Tax Appeal Board
Office of Workers Compensation Judge
Board of Investments
Merit System Council
Public Employees Retirement Board
Teachers Retirement Board
Publishing Policy Committee
State Records Committee
State Employee Group Benefits Advisory Council
Data Processing Advisory Council
Montana Building Codes Advisory Council
DEPARTMENT OF HIGHWAYS
DIRECTOR
Highway Commission
DEPARTMENT OF AGRICULTURE
DIRECTOR
Montana Wheat Research and Marketing Committee
DEPARTMENT OF COMMERCE
DIRECTOR
Small Business Advisory Council
State Banking Board
• Other Licensing Boards
BOARD OF REGENTS
STATE BOARD OF EDUCATION
BOARD OF PUBLIC EDUCATION
Montana Arts Council
Board of Trustees of the State Historical Society
State Library Commission
Preservation Review Board
Montana School for the Deaf and Blind
Fire Services Training Academy
Fire Services Training Advisory Council
Financial Assistance Program Advisory Council
DEPARTMENT OF HEALTH AND ENVIRONMENTAL SCIENCES
DIRECTOR
Board of Health and Environmental Sciences
Board of Water and Wastewater Operators
Air Pollution Control Advisory Council
Water Pollution Control Advisory Council
DEPARTMENT OF LABOR AND INDUSTRY
COMMISSIONER
Commission for Human Rights
Board of Labor Appeals
Workers Compensation Division
DEPARTMENT OF LIVESTOCK
BOARD OF LIVESTOCK
Montana Pork Research and Marketing Committee
DEPARTMENT OF MILITARY AFFAIRS
ADJUTANT GENERAL
DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION
DIRECTOR
Board of Natural Resources and Conservation
Board of Oil and Gas Conservation
Rangeland Resources Committee
DEPARTMENT OF FISH, WILDLIFE AND PARKS
DIRECTOR
Fish and Game Commission
DEPARTMENT OF REVENUE
DIRECTOR
Multistate Tax Compact Advisory Council
DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES
DIRECTOR
Board of Social and Rehabilitation Appeals
Aging Services Advisory Council
Visual Services Advisory Council
Developmental Disabilities Planning and Advisory Council
Regional Developmental Disabilities Planning Council
DEPARTMENT OF STATE LANDS
STATE BOARD OF LAND COMMISSIONERS
DEPARTMENT OF INSTITUTIONS
DIRECTOR
Board of Pardons
LEGEND
Principal Department with Head of Department Included Below

STATE OF MONTANA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 1986

TABLE OF CONTENTS

INTRODUCTORY SECTION

Page

Title Page i
Selected State Officials ii
Organization Chart iii
Table of Contents iv
Letter of Transmittal 1

Graphic Presentations:

Current/Constant Dollars - Revenues/Expenditures/Per Capita Expenditures 4
Revenues By Source - All Governmental Fund Types 5
Expenditures By Function - All Governmental Fund Types 6

FINANCIAL SECTION

Auditor's Opinion 10

Combined Statements - Overview ("Liftable" General Purpose Financial Statements):

Combined Balance Sheet - All Fund Types and Account Groups 11
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types and Expendable Trust Funds 13
Combined Statement of Revenues, Expenditures, Other Financing Sources (Uses) and Reconciliation of Budget and Actual (Budgetary Basis) to GAAP Basis - General and Special Revenue Fund Types 15
Combined Statement of Revenues, Expenses and Changes in Retained Earnings/Fund Balances - All Proprietary Fund Types and Similar Trust Funds 17
Combined Statement of Changes in Financial Position - All Proprietary Fund Types and Similar Trust Funds 18
Statement of Revenues, Expenditures, Transfers and Changes in Fund Balances - All Higher Education Funds 19
Notes to the Financial Statements 21

Combining Financial Statements/Schedules:

Governmental Funds

General Fund

Balance Sheet 49
Statement of Revenues, Expenditures and Changes in Fund Balance 50
Schedule of Expenditures and Transfers Out - Budget and Actual (Budget Basis) 51

Special Revenue Funds

Combining Balance Sheet 63
Combining Statement of Revenues, Expenditures and Changes in Fund Balances 64
Schedule of Revenues, Expenditures and Other Financing Sources (Uses) - Budget and Actual with Reconciliation of Expenditures/Other Financing Uses per the Statewide Budgeting and Accounting System (SBAS) to Budget Basis Statement in the GPFS - Special Revenue Funds 65

Schedules of Expenditures and Transfers Out - Budget and Actual (Budget Basis):

- State Special Revenue Fund 67
- Federal Special Revenue Fund 74
- Other Special Revenue Funds 82

Debt Service Funds

Combining Balance Sheet 89
Combining Statement of Revenues, Expenditures and Changes in Fund Balances 91

Capital Projects Funds

Combining Balance Sheet 94
Combining Statement of Revenues, Expenditures and Changes in Fund Balances 95
Project - Length Schedule of Expenditures and Transfers Out - Budget and Actual (Budget Basis) 96

Proprietary Funds

Schedule of Expenses and Transfers Out - Budget and Actual (Budget Basis) 102

Enterprise Funds

Combining Balance Sheet 107
Combining Statement of Revenues, Expenses and Changes in Retained Earnings 109
Combining Statement of Changes in Financial Position 111

Internal Service Funds

Combining Balance Sheet 115
Combining Statement of Revenues, Expenses and Changes in Retained Earnings 119
Combining Statement of Changes in Financial Position 123

Trust and Agency Funds

Combining Balance Sheet - All Trust and Agency Fund Types 128

Expendable Trust Funds

Combining Balance Sheet 131
Combining Statement of Revenues, Expenditures and Changes in Fund Balances 133
Schedule of Expenses and Transfers Out - Budget and Actual (Budget Basis) 135

Nonexpendable Trust Funds

Combining Balance Sheet 137
Combining Statement of Revenues, Expenses and Changes in Fund Balances 139
Combining Statement of Changes in Financial Position 141

Pension Trust Funds

Combining Balance Sheet 145
Combining Statement of Revenues, Expenses and Changes in Fund Balances 147
Combining Statement of Changes in Financial Position 149
Schedule of Expenses and Transfers Out - Budget and Actual (Budget Basis) 151

Agency Funds

Combining Balance Sheet 153
Combining Statement of Changes in Assets and Liabilities 155

Higher Education Funds

Combining Balance Sheet 161
Schedule of Expenditures and Transfers Out - Budget and Actual (Budget Basis) - General Operating Subfund 163

General Fixed Assets Account Group

Schedule of General Fixed Assets by Function and Activity 167
Schedule of General Fixed Assets by Source 167

STATISTICAL SECTION

Expenditures by Function - All Governmental Fund Types 170
Revenues by Source - All Governmental Fund Types 170
Property Tax Levies and Collections 171
Taxable and Market (Assessed) Value of Property 171
Property Tax Rates - All Overlapping Governments 172
Property Tax Mill Levy for State Purposes 172
Ratio of Direct State Debt to Assessed Value and Direct State Debt per Capita 173
Ratio of Annual Debt Service to Total General Expenditures 173
Revenue Bond Coverage - Discrete Entities 174
Analysis of Outstanding Bonded Debt by Range of Interest Rate 174
Property Value, Construction and Bank Deposits 175
Income Data 176
Public Education Institutions Enrollment 177
Demographic Statistics 178
Employment in Montana Industries 178
Major Private Employers 179
Miscellaneous Statistics 179

DEPARTMENT OF ADMINISTRATION
DIRECTOR'S OFFICE

TED SCHWINDEN, GOVERNOR
MITCHELL BUILDING

STATE OF MONTANA

(406) 444-2032
HELENA, MONTANA 59620

October 31,1986

To the Citizens, Governor and Members of the Legislature of the State of Montana:

In accordance with Section 17-2-110, Montana Code Annotated, I hereby transmit the Comprehensive Annual Financial Report (CAFR) of the State of Montana for the fiscal year ended June 30, 1986. Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation rests with the Department of Administration.

Description of the CAFR

The organization, form and contents of this report and the accompanying financial statements and statistical tables were prepared in accordance with standards set forth by the Governmental Accounting Standards Board (GASB).

This CAFR is divided into three main sections: an introductory section containing an organization chart for the State and a table of contents; a financial section beginning with the independent auditor's report and containing the general purpose financial statements, combining statements by fund type and other schedules; and a statistical section including financial, economic and demographic data.

Accounting System/Budgetary Control

Montana's Statewide Budgeting and Accounting System (SBAS) is a centrally maintained, fully computerized, double-entry accounting system. SBAS records are computer edited.

In developing and evaluating the State's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and that the evaluation of costs and benefits requires estimates and judgments by management.

Budgetary control is imposed via legislative and administrative appropriations. SBAS is designed to prevent spending in excess of legislative and administrative authority and/or available cash.

Reporting Entity

The accompanying financial statements include the funds and account groups of all agencies, colleges and universities, vocational-technical centers, boards, commissions and financing authorities that are controlled by or are dependent on the State. Control by or dependence on the State is determined on the basis of the following criteria, as defined in GASB Cod. Sec. 2100: selection of governing authority, designation of management, ability to significantly influence operations, accountability for fiscal matters and scope of public service.

Independent Audit

The financial statements contained in Montana's Comprehensive Annual Financial Report were audited in accordance with generally accepted auditing standards by the Office of the Legislative Auditor. The Legislative Auditor is appointed by and reports to the Legislative Audit Committee.

The Deputy Legislative Auditor issued a qualified opinion on the State's financial statements for 1986 because the State did not report the foundation program 45 mill property tax levy in the State Special Revenue Fund. The foundation program is Montana's primary plan for funding elementary and secondary schools. It is funded from "State equalization" and "county equalization" aid payments. The monies that make up "State equalization" and "county equalization" aid are set forth in statute. The 45 mill property tax levy is mandated by the State and is part of county equalization aid to schools. These property taxes and their distribution to schools are reported in audited financial statements at the local government level.

We have consistently included a footnote (see Note 16) presentation of this activity in the State's financial statements since 1984 and, until this year, have received an unqualified audit opinion. The auditor has not provided us with an adequate explanation for the change to a qualified opinion. The 45 mill levy was material to State Special Revenue Fund revenues and expenditures in all three years.

General Governmental Functions

(Includes General, Special Revenue, Debt Service and Capital Projects Funds)

Revenues for general governmental functions decreased 2% from Fiscal Year 1985 to Fiscal Year 1986. The amount of revenue from various sources is shown in the following table:

Revenue Source	Amount (in thousands) 1986	Amount (in thousands) 1985	Percent of Total 1986	Percent of Total 1985
Licenses & Permits	$ 77,537	$ 63,744	6.9%	5.6%
Taxes	512,456	519,175	45.6	45.2
Charges for Services, Fines & Forfeits	35,125	18,635	3.1	1.6
Investment Earnings	68,879	118,036	6.1	10.3
Reimbursements	-	15,681	-	1.4
Sale of Documents, Etc.	15,220	16,245	1.4	1.4
Rentals, Leases & Royalties	888	1,389	0.1	0.1
Grants, Contracts & Donations	3,942	2,034	0.3	0.2
Federal	400,247	390,240	35.6	34.0
Federal Indirect Cost Recoveries	3,032	-	0.3	-
Other Revenues	6,967	2,713	0.6	0.2
Total Revenues	$ 1,124,573	$ 1,147,892	100.0%	100.0%

In an environment of declining interest rates, lower yields on investments contributed to a 41.6% decrease in investment earnings. "Reimbursements" were reclassified as "Charges for Services" and "Federal Indirect Cost Recoveries" in Fiscal Year 1986.

Expenditures for general governmental functions were $1.2 billion in Fiscal Year 1986, an increase of 8.6% over Fiscal Year 1985. Expenditures by function are shown in the following table:

Expenditure Function	Amount (in thousands) 1986	Amount (in thousands) 1985	Percent of Total 1986	Percent of Total 1985
General Government	$ 56,461	$ 51,268	4.8%	4.7%
Public Safety & Corrections	57,382	56,191	4.9	5.2
Transportation	269,806	264,285	22.9	24.3
Health & Social Services	304,708	291,851	25.8	26.9
Education & Cultural	231,984	222,631	19.7	20.5
Resource Development & Recreation	52,385	51,675	4.4	4.8
Economic Development & Assistance	87,887	84,866	7.4	7.8
Debt Service	77,448	24,415	6.6	2.2
Capital Outlay	41,118	39,096	3.5	3.6
Total Expenditures	$ 1,179,179	$ 1,086,278	100.0%	100.0%

The increase in debt service expenditures was due primarily to the advance refunding of $10.5 million of coal severance tax bonds and $39.1 million of highway bond anticipation notes.

General Fund Summary

The General Fund had an unreserved fund balance of $16 million at June 30, 1986 which can be summarized as follows (in thousands):

Fund Balance, June 30, 1985	$ 33,146
Excess of Revenues Over Expenditures	5,204
Operating Transfers In	79,203
Operating Transfers Out	(102,741)
Bond Proceeds	72
Inception of Lease/Installment Purchase	43
Equity Transfers From:	
Legislative Council	500
Department of Commerce	680
Department of Natural Resources	1,000
Public Employees' Retirement System	2,000
Prior Period Adjustments	(23)
Decrease in Inventories	(330)
Fund Balance, June 30, 1986	18,754
Reserved for Encumbrances	(947)
Reserved for Inventories	(1,805)
Unreserved	$ 16,002

Debt Administration

Montana receives excellent bond ratings from both Moody's Investors Service (Aa) and Standard & Poor's Corporation (AA-). State debt may be authorized either by a two-thirds vote of the members of each house of the Legislature or by a favorable vote of a majority of the State's electors voting thereon. There is no constitutional limit on the amount of debt that may be incurred by the State. The Montana Constitution does, however, prohibit the incurring of debt to cover deficits incurred because appropriations exceeded anticipated revenue. General obligation debt increased from $100.8 million at June 30, 1985 to $106.8 million at June 30, 1986.

The ratio of general obligation debt to assessed valuation and the amount of general obligation debt per capita are:

	Amount (in thousands)	Ratio of Debt to 1984 Assessed Value	Debt Per Capita*
General Obligation Debt	$ 106,814	.63%	$ 129.31

* Based on 1984 Montana population.

Cash Management

The uniform investment program established by the 1982 Montana Constitution directs that the Board of Investments have sole authority to invest State funds. Permissible investments include bonds, notes, debentures, equipment obligations, common stock, commercial paper, bankers acceptances, interest bearing deposits in Montana financial institutions, real estate and any other investment in a Montana business that continues existing jobs or creates new jobs. These investments are subject to statutory restrictions for quality and size of holdings.

Unless otherwise provided by law, treasury cash is pooled for investment regardless of the fund from which it is deposited and the pool's investment earnings are credited to the General Fund. The Board reported total investment income from investments under their management of $239.3 million, an increase of 12.7% over the $212.4 million earned last year. The book value of Board managed investments rose 7% to $2.112 billion from $1.974 billion at fiscal year-end 1985. The Board publishes an annual audited report of all its investment activity. That report can be referenced for more in-depth portfolio information.

Significant Events

Actual revenue collected from interest earnings, individual income tax, coal severance tax and oil severance tax for Fiscal Year 1986 was below estimates by approximately $35 million. Factors responsible for the decline in these revenue components were: lower than expected interest rates for investments; a decline in the State's agricultural economy due to falling farm commodity prices and a severe drought in 1985; and, sharp declines in prices for oil and coal.

On January 15, 1986, the Governor ordered a general spending reduction of 2% for the budgets of State agencies which report to the Governor. In June 1986, a special legislative session was held to adopt Fiscal Year 1987 revenue and spending adjustments in response to the estimated budget shortfall. The actions of the special legislative session included an increase in the gasoline tax of $0.02 per gallon and spending reductions, including an across the board reduction of 5%, a reduction in force equivalent to a freeze in State employees' wages, a reduction of State aid to public education and cancellation of some projects and programs. The net impact of all legislative action during the two-week special session was $98.662 million: On-going expenditures were decreased $49.627 million; on-going revenues were increased $21.7 million; $2.305 million of one-time expenditures were added; and, $29.64 million of one-time revenues were added.

Future Prospects

Montana's economy is experiencing slow growth relative to the overall economy of the United States. Our recession ended the third quarter of 1982 and we have experienced slow growth since. Agriculture, wood products and mining make up the Big 3 industries in our economic base. Only wood products have fully recovered from the recession and have been working at capacity since 1984. Wood products is maintaining its pre-recession level of production with a 20% reduction in employment. Agriculture is experiencing some difficulties. The 1984-85 drought is over but world demand is down causing low commodity prices at a time when farmers have staggering agricultural debt. Our mining industry is currently in a holding pattern due to the world surplus in oil and gas. However, there are some bright spots: Copper mining is resuming in the Butte area; precious metal mining has started near Clancy and Whitehall; the tourism industry is showing slow but steady growth; and the service sector is showing the same positive trends experienced nationwide.

Acknowledgements

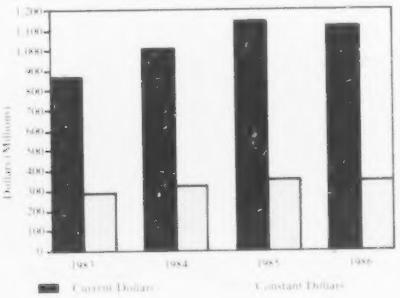
The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the Accounting Division. I would like to express my appreciation to Accounting Division personnel. I also thank the Legislature and all State agencies for their interest and support in planning and conducting the financial operations of Montana in a professionally responsible and progressive manner.

Respectfully submitted,

Ellen Feaver

ELLEN FEAVER, Director
Department of Administration

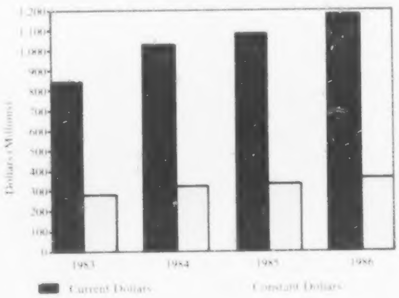
STATE OF MONTANA
REVENUES
ALL GOVERNMENTAL FUND TYPES
Last Four Years



	1983	1984	1985	1986
Current Dollars	$868	$1,016	$1,148	$1,124
Constant Dollars (1967)	$291	$327	$359	$346
Percent Increase (Decrease) over Prior Year in Current Dollars	N/A	17.05%	12.99%	(2.09%)
Percent Increase (Decrease) over Prior Year in Constant Dollars	N/A	12.37%	9.79%	(3.62%)

N/A Information Not Available

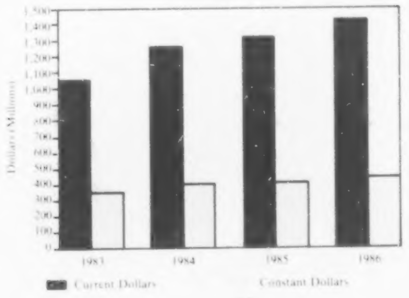
STATE OF MONTANA
EXPENDITURES
ALL GOVERNMENTAL FUND TYPES
Last Four Years



	1983	1984	1985	1986
Current Dollars	$849	$1,025	$1,086	$1,179
Constant Dollars (1967)	$285	$330	$339	$363
Percent Increase (Decrease) over Prior Year in Current Dollars	N/A	20.73%	5.95%	8.56%
Percent Increase (Decrease) over Prior Year in Constant Dollars	N/A	15.79%	2.73%	7.08%

N/A Information Not Available

STATE OF MONTANA
PER CAPITA EXPENDITURES
ALL GOVERNMENTAL FUND TYPES
Last Four Years

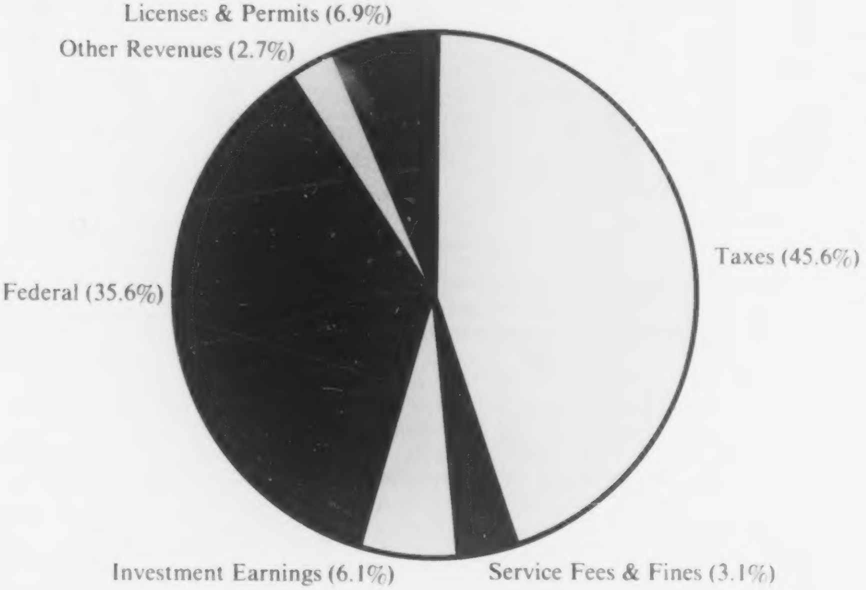


	1983	1984	1985	1986
Current Dollars	$1,055	$1,255	$1,318	$1,427
Constant Dollars (1967)	$354	$403	$412	$439
Percent Increase (Decrease) over Prior Year in Current Dollars	N/A	18.96%	5.02%	8.27%
Percent Increase (Decrease) over Prior Year in Constant Dollars	N/A	13.84%	2.23%	6.55%

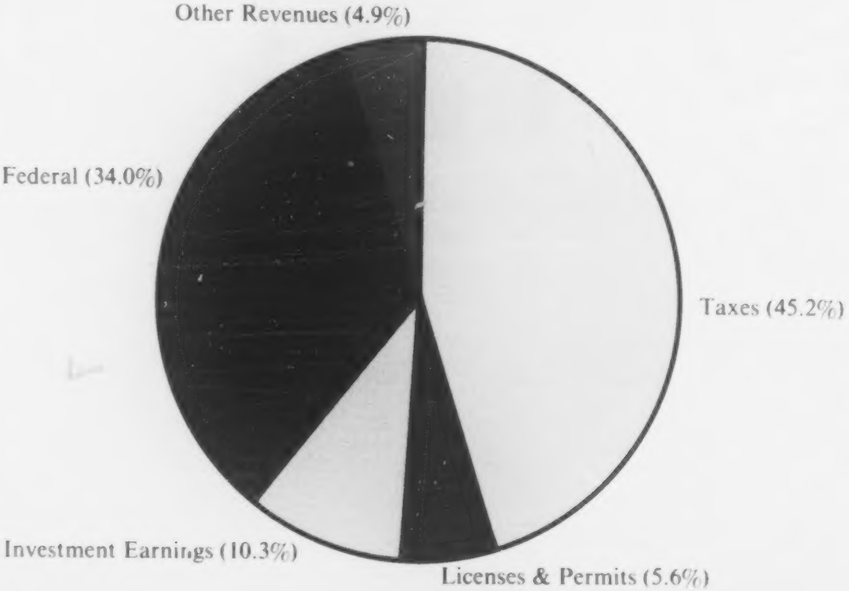
N/A Information Not Available

NOTE: Expenditures Expressed in Constant Dollars were derived by using the Consumer Price Index.

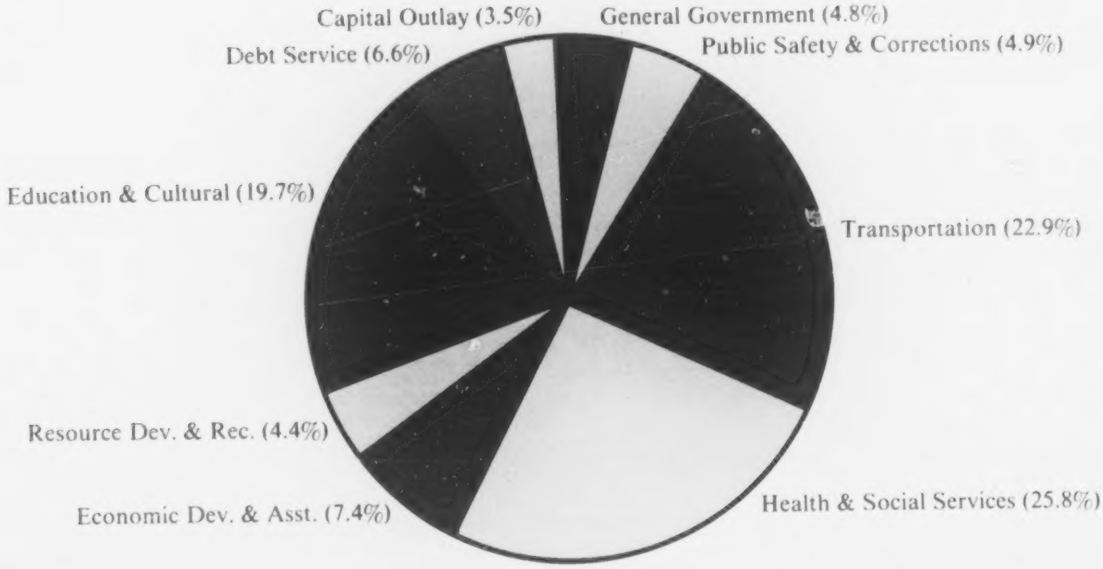
STATE OF MONTANA
GRAPHIC PRESENTATION OF REVENUES BY SOURCE
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED JUNE 30, 1986



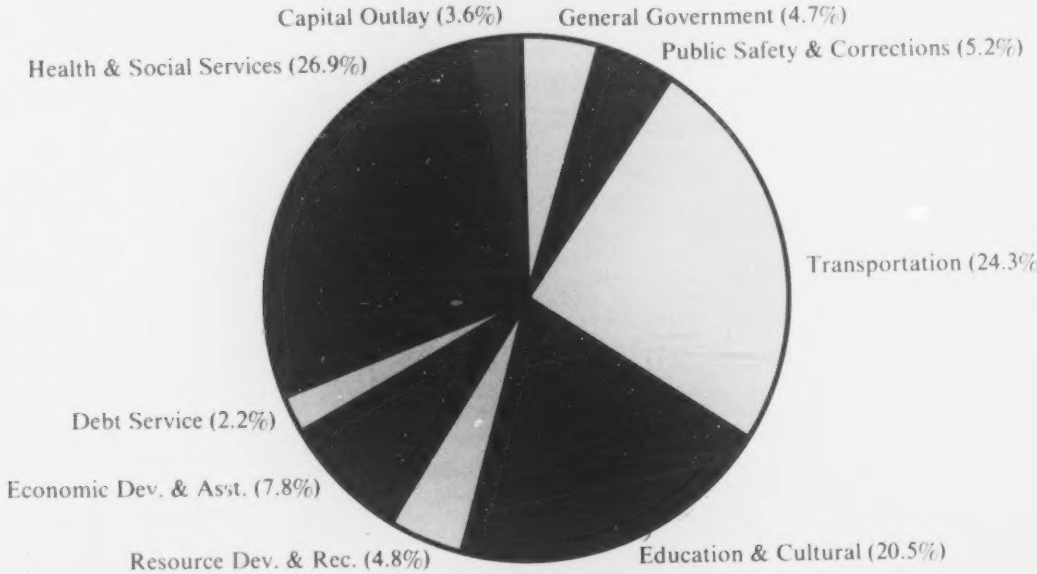
STATE OF MONTANA
GRAPHIC PRESENTATION OF REVENUES BY SOURCE
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED JUNE 30, 1985



STATE OF MONTANA
GRAPHIC PRESENTATION OF EXPENDITURES BY FUNCTION
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED JUNE 30, 1986



STATE OF MONTANA
GRAPHIC PRESENTATION OF EXPENDITURES BY FUNCTION
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED JUNE 30, 1985



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GENERAL PURPOSE FINANCIAL STATEMENTS

The following financial statements present the financial position of all fund types and account groups and the operating results of all fund types.

STATE OF MONTANA

Office of the Legislative Auditor

STATE CAPITOL
HELENA, MONTANA 59620
406/444-3122

SCOTT A. SEACAT
LEGISLATIVE AUDITOR

DEPUTY LEGISLATIVE AUDITORS:
JAMES GILLETT
FINANCIAL-COMPLIANCE AUDITS
JIM PELLEGRINI
PERFORMANCE AUDITS
LEGAL COUNSEL:
JOHN W. NORTHEY

To the Legislative Audit Committee
of the Montana State Legislature:

We have examined the general purpose financial statements of the State of Montana as of and for the year ended June 30, 1986, as listed in the Table of Contents. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. We did not examine the financial statements of the Montana Board of Housing which statements reflect total assets, liabilities, revenues, and expenses of 93 percent, 95 percent, 47 percent, and 51 percent, respectively, of the related Enterprise Fund Type. These statements were examined by other auditors whose report thereon was furnished to us, and our opinion expressed herein insofar as it relates to the amounts included for the Montana Board of Housing is based solely upon the report of other auditors.

A portion of Montana's foundation program, the method by which the state funds elementary and secondary education, is not reflected in the financial statements (see Note 16). As a result of excluding the 45 mill property tax levy from the financial statements, revenues and expenditures are understated by approximately $86,656,000 in the Special Revenue Fund Type. Generally accepted accounting principles require that this activity be included in the financial statements.

In our opinion, based upon our examination and the report of other auditors, except for the effects of not including the 45 mill property tax levy in the financial statements, as discussed in the previous paragraph, the general purpose financial statements referred to in the Table of Contents present fairly the financial position of the State of Montana at June 30, 1986, and the results of operation and the changes in financial position of its proprietary fund types for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Our examination was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining financial statements listed in the Table of Contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the State of Montana. Such information has been subjected to the auditing procedures applied in the examination of the general purpose financial statements and, in our opinion, except for the effects of the item discussed in paragraph two, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

Respectfully submitted,

James Gillett

James Gillett, CPA
Deputy Legislative Auditor

October 31, 1986

STATE OF MONTANA
Combined Balance Sheet
All Fund Types and Account Groups
June 30, 1986
(Expressed in Thousands)

	GOVERNMENTAL FUND TYPES			
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS
ASSETS AND OTHER DEBITS				
Cash and Cash Equivalents	$ 11,194	$ 133,125	$ 42,955	$ 17,645
Cash with Fiscal Agent	-	1,492	2,260	-
Receivables (Net)	19,797	22,709	3,351	899
Interfund Loans Receivable	7,034	36,089	-	-
Due from Other Governments	2,762	27,429	-	-
Due from Other Funds	43,257	38,002	174	122
Inventories	1,805	17,358	-	-
Advances to Investment Pool	-	24,531	4,004	11,110
Long-Term Notes/Loans Receivable	439	10,367	13,927	88
Investments	-	8,329	12,782	1,089
Deferred Gains (Losses)	-	-	-	-
Restricted Assets	-	-	-	-
Land	-	-	-	-
Buildings and Improvements	-	-	-	-
Equipment	-	-	-	-
Other Fixed Assets	-	-	-	-
Construction in Progress	-	-	-	-
Accumulated Depreciation	-	-	-	-
Intangible Assets	-	-	-	-
Amount Available—Debt Service Fund	-	-	-	-
Resources to be Provided in Future Years	-	-	-	-
Other Assets	1,581	2,072	-	4
TOTAL ASSETS AND OTHER DEBITS	**$ 87,869**	**$ 321,503**	**$ 79,453**	**$ 30,957**
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts Payable and Accruals	$ 15,140	$ 46,245	$ 2,801	$ 375
Interfund Loans Payable	24,360	21,560	-	-
Due to Other Governments	4	1,819	-	-
Due to Other Funds	10,117	52,538	1,780	829
Deferred Revenue	19,421	16,324	1,674	206
Installment Purchase/Lease Payable	-	-	-	-
Long-Term Notes/Bonds Payable (Net)	-	-	-	-
Property Held in Trust	73	823	-	-
Compensated Absences Payable	-	-	-	-
Allowance for Realized Gains (Losses)	-	-	-	-
Estimated Insurance Claims	-	-	-	-
Other Liabilities	-	1,909	-	-
Total Liabilities	**69,115**	**141,218**	**6,255**	**1,410**
Fund Equity:				
Investment in Fixed/Plant Assets	-	-	-	-
Contributed Capital	-	-	-	-
Fund Balances/Retained Earnings:				
Reserved For:				
Encumbrances	947	9,030	-	-
Inventories	1,805	17,358	-	-
Long-Term Assets	-	7,541	13,927	-
Debt Service	-	-	59,271	-
Employee Benefits	-	-	-	-
Insurance Claims	-	-	-	-
Student Loans/Trust Prin./Endow.	-	-	-	-
Retirement Systems	-	-	-	-
Unreserved	16,002	146,356	-	29,547
Total Fund Equity	**18,754**	**180,285**	**73,198**	**29,547**
Commitments/Contingencies (Notes 5,7,10)				
TOTAL LIABILITIES AND FUND EQUITY	**$ 87,869**	**$ 321,503**	**$ 79,453**	**$ 30,957**

The notes to the financial statements are an integral part of this statement.

PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPES	ACCOUNT GROUPS			TOTALS (MEMORANDUM ONLY)	
ENTERPRISE	INTERNAL SERVICE	TRUST AND AGENCY	GENERAL FIXED ASSETS	GENERAL LONG-TERM OBLIGATIONS	HIGHER EDUCATION FUNDS	June 30, 1986	June 30, 1985
$ 2,498	$ 12,925	$ 518,221	$ -	$ -	$ 18,897	$ 757,460	$ 775,831
1,898	2,906	-	-	-	7,848	16,404	18,078
9,899	798	62,129	-	-	22,131	141,713	135,639
-	235	3,237	-	-	3,405	50,000	35,958
-	-	257	-	-	1,115	31,563	48,252
697	7,344	38,653	-	-	10,208	138,457	154,648
6,637	2,657	6	-	-	4,692	33,155	33,130
9,710	1,851	372,311	-	-	15,332	438,849	418,525
494,769	60	15,253	-	-	43	534,946	471,628
185,130	3,427	1,454,751	-	-	32,412	1,697,920	1,451,326
-	-	21,618	-	-	-	21,618	27,378
77,399	-	-	-	-	-	77,399	57,922
-	926	49,459	38,356	-	8,876	97,617	94,670
2,119	1,224	341	156,652	-	233,385	393,721	351,859
1,472	68,114	152	59,218	-	79,991	208,947	203,138
-	10	-	1,077	-	41,650	42,737	29,694
-	135	-	17,817	-	14,224	32,176	33,267
(1,154)	(27,825)	(192)	-	-	-	(29,171)	(27,923)
-	15	-	-	-	252	267	116
-	-	-	-	73,198		73,198	24,663
-	-	-	-	197,392	-	197,392	217,037
68	3	22,022	-	-	1,170	26,920	29,214
$ 791,142	**$ 74,805**	**$ 2,558,218**	**$ 273,120**	**$ 270,590**	**$ 495,631**	**$ 4,983,288**	**$ 4,584,050**
$ 10,136	$ 2,208	$ 4,288	$ -	$ -	$ 14,731	$ 95,924	$ 99,353
347	328	-	-	-	3,405	50,000	35,958
-	-	20,097	-	-	266	22,186	42,597
981	4,374	56,459	-	-	11,379	138,457	154,648
504	57	2,407	-	-	4,403	44,996	42,129
7	12,602	-	-	731	1,145	14,485	13,466
711,682	-	-	-	244,676	77,427	1,033,785	821,849
-	124	555,443	-	-	2,057	558,520	600,822
377	1,523	81	-	25,183	12,696	39,860	38,499
-	-	13,710	-	-	-	13,710	2,890
3,179	-	-	-	-	1,157	4,336	-
-	-	24,700	-	-	1,075	27,684	20,239
727,213	**21,216**	**677,185**	-	**270,590**	**129,741**	**2,043,943**	**1,872,450**
-	-	-	273,120	-	[illegible]3,272	596,392	561,713
2,314	1,061	-	-	-	-	3,375	2,947
-	-	-	-	-	1,333	11,310	15,832
-	-	-	-	-	-	19,163	18,449
-	-	1,683	-	-	-	23,151	13,667
38,782	-	-	-	-	9,733	107,786	76,229
14,397	-	-	-	-	-	14,397	14,397
-	10,215	-	-	-	3,207	13,422	8,967
-	-	688,120	-	-	14,207	702,327	631,527
-	-	1,100,405	-	-	-	1,100,405	960,757
8,436	42,313	90,825	-	-	14,138	347,617	407,115
63,929	**53,589**	**1,881,033**	**273,120**	-	**365,890**	**2,939,345**	**2,711,600**
$ 791,142	**$ 74,805**	**$ 2,558,218**	**$ 273,120**	**$ 270,590**	**$ 495,631**	**$ 4,983,288**	**$ 4,584,050**

STATE OF MONTANA

Combined Statement of Revenues, Expenditures and Changes in Fund Balances
All Governmental Fund Types and Expendable Trust Funds
For the Fiscal Year Ended June 30, 1986
(Expressed in Thousands)

	GOVERNMENTAL FUND TYPES				FIDUCIARY FUND TYPE	TOTALS (MEMORANDUM ONLY)	
						YEAR ENDED	
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	EXPENDABLE TRUST	June 30, 1986	June 30, 1985
REVENUES:							
Licenses and Permits	$ 25,804	$ 51,733	$ -	$ -	$ -	$ 77,537	$ 63,744
Taxes:							
Gas, Oil and Coal Production	46,045	22,720	43,161	-	-	111,926	99,074
Individual Income	110,218	43,054	18,944	-	-	172,216	181,057
Corporate Income	33,846	18,876	5,824	-	-	58,546	62,670
Other	19,945	136,686	10,612	2,525	-	169,768	176,374
Charges for Services, Fines and Forfeits	16,622	17,073	820	610	2,139	37,264	24,553
Investment Earnings	15,292	48,144	2,550	2,893	46,187	115,066	127,002
Reimbursements	-	-	-	-	-	-	15,681
Sale of Doc., Mdse. and Property	49	15,171	-	-	2	15,222	16,245
Rentals, Leases and Royalties	152	736	-	-	-	888	1,389
Contributions and Premiums	-	280	-	-	127,725	128,005	110,457
Grants, Contracts and Donations	-	3,942	-	-	4	3,946	2,038
Federal	215	398,935	-	1,097	867	401,114	402,045
Federal Indirect Cost Recoveries	561	2,471	-	-	-	3,032	-
Other Revenues	5,629	257	393	688	9,866	16,833	2,372
Total Revenues	274,378	760,078	82,304	7,813	186,790	1,311,363	1,284,701
Less: Intrafund Revenues	-	(11,496)	-	-	-	(11,496)	(897)
Net Revenues	**274,378**	**748,582**	**82,304**	**7,813**	**186,790**	**1,299,867**	**1,283,804**
EXPENDITURES:							
Current:							
General Government	39,444	16,900	-	117	4	56,465	51,269
Public Safety and Corrections	33,187	24,195	-	-	-	57,382	56,191
Transportation	1,866	267,940	-	-	1,774	271,580	266,907
Health and Social Services	118,406	186,302	-	-	-	304,708	291,851
Education and Cultural	47,602	184,382	-	-	3	231,987	222,635
Resources Development and Recreation	13,876	38,509	-	-	-	52,385	51,675
Economic Development and Assistance	8,871	79,016	-	-	123,837	211,724	207,574
Debt Service:							
Principal Retirement	58	10,578	44,855	-	-	55,491	7,586
Interest and Fiscal Charges	2,147	698	19,112	-	-	21,957	16,829
Capital Outlay	3,717	17,302	-	20,099	2	41,120	39,096
Total Expenditures	269,174	825,822	63,967	20,216	125,620	1,304,799	1,211,613
Less: Intrafund Expenditures	-	(11,496)	-	-	-	(11,496)	(897)
Net Expenditures	**269,174**	**814,326**	**63,967**	**20,216**	**125,620**	**1,293,303**	**1,210,716**
Excess of Revenues Over (Under) Expenditures	5,204	(65,744)	18,337	(12,403)	61,170	6,564	73,088
OTHER FINANCING SOURCES (USES):							
Bond Proceeds	72	31,453	43,675	8,550	-	83,750	11,385
Inception of Lease/Install. Contract	43	189	-	-	-	232	964
General Fixed Asset Sale Proceeds	-	1	-	-	-	1	-
Operating Transfers In	79,203	39,225	31,181	-	3	149,612	111,299
Operating Transfers Out	(102,741)	(43,753)	(76,247)	(3,454)	(51,463)	(277,658)	(208,046)
Total Other Financing Sources (Uses)	(23,423)	27,115	(1,391)	5,096	(51,460)	(44,063)	(84,398)
Difference Between Prior Year Encumbrances/Accruals and Actual	-	-	-	-	-	-	(8,851)
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	**(18,219)**	**(38,629)**	**16,946**	**(7,307)**	**9,710**	**(37,499)**	**(20,161)**
FUND BALANCES - JULY 1 - As Previously Reported	33,146	238,537	28,537	36,857	83,929	421,006	432,375
Prior Period Adjustments (Note 3)	(23)	9,569	-	-	(781)	8,765	8,352
FUND BALANCES - JULY 1 - As Restated	33,123	248,106	28,537	36,857	83,148	429,771	440,727
Increase (Decrease) in Inventories	(330)	1,044	-	-	-	714	694
Decrease in Long-Term Assets Reserve	-	(34)	-	-	-	(34)	-
Residual Equity Transfers	4,180	(30,202)	27,715	(3)	-	1,690	(254)
FUND BALANCES - JUNE 30	**$ 18,754**	**$ 180,285**	**$ 73,198**	**$ 29,547**	**$ 92,858**	**$ 394,642**	**$ 421,006**

The notes to the financial statements are an integral part of this statement.

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STATE OF MONTANA

Combined Statement of Revenues, Expenditures, Other Financing Sources (Uses) and Reconciliation of Budget and Actual (Budgetary Basis) to GAAP Basis
General and Special Revenue Fund Types
For the Fiscal Year Ended June 30, 1986
(Expressed in Thousands)

	GENERAL FUND		
	BUDGET	ACTUAL	VARIANCE-FAVORABLE (UNFAVORABLE)
REVENUES:			
Licenses and Permits	$ 28,400	$ 25,804	$ (2,596)
Taxes:			
Gas, Oil and Coal Production	51,724	46,045	(5,679)
Individual Income	125,286	110,218	(15,068)
Corporate Income	29,957	33,846	3,889
Miscellaneous	18,603	19,945	1,342
Charges for Services, Fines and Forfeits	19,061	16,622	(2,439)
Investment Earnings	24,493	15,292	(9,201)
Sale of Documents, Merchandise and Property	56	49	(7)
Rentals, Leases and Royalties	233	152	(81)
Contributions and Premiums	-	-	-
Grants, Contracts and Donations	-	-	-
Federal	350	215	(135)
Federal Indirect Cost Recoveries	430	561	131
Other Revenues	755	5,629	4,874
Total Revenues	**299,348**	**274,378**	**(24,970)**
EXPENDITURES:			
Current:			
General Government	36,187	36,104	83
Public Safety and Corrections	34,343	33,077	1,266
Transportation	2,026	1,935	91
Health and Social Services	121,625	118,722	2,903
Education and Cultural	49,252	47,759	1,493
Resource Development and Recreation	14,058	13,812	246
Economic Development and Assistance	9,862	8,848	1,014
Debt Service:			
Principal Retirement	58	58	-
Interest and Fiscal Charges	2,147	2,147	-
Capital Outlay	3,437	3,121	316
Total Expenditures	**272,995**	**265,583**	**7,412**
Excess of Revenues Over (Under) Expenditures	26,353	8,795	(17,558)
OTHER FINANCING SOURCES (USES):			
Bond Proceeds	70	72	2
Operating Transfers In	80,909	79,155	(1,754)
Operating Transfers Out	(132,939)	(102,811)	30,128
Total Other Financing Sources (Uses)	(51,960)	(23,584)	28,376
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES (BUDGETARY BASIS)	**$ (25,607)**	**$ (14,789)**	**$ 10,818**
RECONCILIATION OF BUDGETARY - GAAP REPORTING:			
1. To adjust expenditures for changes in encumbrances.		(2,538)	
2. To adjust expenditures for appropriated loans and nonbudgeted activity.		(892)	
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES (GAAP BASIS)		**$ (18,219)**	

The notes to the financial statements are an integral part of this statement.

SPECIAL REVENUE FUNDS			TOTALS (MEMORANDUM ONLY)		
BUDGET	ACTUAL	VARIANCE-FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE-FAVORABLE (UNFAVORABLE)
$ 57,089	$ 51,733	$ (5,356)	$ 85,489	$ 77,537	$ (7,952)
27,339	22,720	(4,619)	79,063	68,765	(10,298)
48,940	43,054	(5,886)	174,226	153,272	(20,954)
16,251	18,876	2,625	46,208	52,722	6,514
132,747	136,686	3,939	151,350	156,631	5,281
16,561	17,073	512	35,622	33,695	(1,927)
49,105	48,144	(961)	73,598	63,436	(10,162)
15,509	15,171	(338)	15,565	15,220	(345)
1,076	736	(340)	1,309	888	(421)
300	280	(20)	300	280	(20)
6,446	3,942	(2,504)	6,446	3,942	(2,504)
418,282	398,935	(19,347)	418,632	399,150	(19,482)
2,324	2,471	147	2,754	3,032	278
666	257	(409)	1,421	5,886	4,465
792,635	**760,078**	**(32,557)**	**1,091,983**	**1,034,456**	**(57,527)**
34,026	17,656	16,370	70,213	53,760	16,453
26,769	24,118	2,651	61,112	57,195	3,917
304,370	282,005	22,365	306,396	283,940	22,456
196,585	187,521	9,064	318,210	306,243	11,967
189,400	184,481	4,919	238,652	232,240	6,412
87,821	41,912	45,909	101,879	55,724	46,155
99,898	78,852	21,046	109,760	87,700	22,060
10,578	10,578	-	10,636	10,636	-
705	697	8	2,852	2,844	8
18,623	15,620	3,003	22,060	18,741	3,319
968,775	**843,449**	**125,335**	**1,241,770**	**1,109,023**	**132,747**
(176,140)	(83,362)	92,778	(149,787)	(74,567)	75,220
1,700	31,453	29,753	1,770	31,525	29,755
98,692	52,390	(46,302)	179,601	131,545	(48,056)
(85,027)	(56,997)	28,030	(217,966)	(159,808)	58,158
15,365	26,846	11,481	(36,595)	3,262	39,857
$ (160,775)	**$ (56,516)**	**$ 104,259**	**$ (186,382)**	**$ (71,305)**	**$ 115,077**
	(3,798)			(6,336)	
	21,685			20,793	
	$ (38,629)			**$ (56,848)**	

STATE OF MONTANA

Combined Statement of Revenues, Expenses and Changes in Retained Earnings/Fund Balances
All Proprietary Fund Types and Similar Trust Funds
For the Fiscal Year Ended June 30, 1986
(Expressed in Thousands)

	PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPES		TOTALS (MEMORANDUM ONLY)	
					YEAR ENDED	
	ENTERPRISE	INTERNAL SERVICE	NONEXPENDABLE TRUST	PENSION TRUST	June 30, 1986	June 30, 1985
OPERATING REVENUES:						
Charges for Services	$ 57,701	$ 46,457	$ 1,459	$ 651	$ 106,268	$ 105,244
Taxes	9,568	-	16,663	-	26,231	59,327
Investment Earnings	64,028	1,939	9,832	110,847	186,646	167,586
Contributions and Premiums	-	-	-	123,117	123,117	113,676
Grants, Contracts and Donations	-	-	742	-	742	840
Rentals, Leases and Royalties	-	-	6,203	-	6,203	10,188
Other Operating Revenues	490	-	2,101	35	2,626	454
Total Operating Revenues	131,787	48,396	37,000	234,650	451,833	457,315
Less: Intrafund Revenues	-	-	-	-	-	(477)
Net Operating Revenues	**131,787**	**48,396**	**37,000**	**234,650**	**451,833**	**456,838**
OPERATING EXPENSES:						
Personal Services	5,011	14,597	-	605	20,213	19,343
Contractual Services	4,086	3,295	-	223	7,604	7,350
Supplies and Materials	26,958	9,379	-	27	36,364	35,609
Benefits	18,050	1,405	-	84,324	103,779	88,219
Refunds	-	-	-	13,009	13,009	13,591
Depreciation	163	4,898	-	18	5,079	4,753
Utilities and Rent	966	2,267	-	45	3,278	2,812
Communications	202	6,329	-	65	6,596	5,664
Repair and Maintenance	75	3,315	-	22	3,412	3,163
Debt Service	56,089	-	-	-	56,089	45,061
Investment Administration	-	-	-	-	-	259
Other Operating Expenses	221	1,735	-	27	1,983	1,970
Total Operating Expenses	111,821	47,220	-	98,365	257,406	227,794
Less: Intrafund Expenses	-	-	-	-	-	(477)
Net Operating Expenses	**111,821**	**47,220**	**-**	**98,365**	**257,406**	**227,317**
Operating Income (Loss)	19,966	1,176	37,000	136,285	194,427	229,521
NONOPERATING REVENUES (EXPENSES):						
Gain (Loss) on Sale of Fixed Assets	(6)	54	-	(7)	41	129
Sale of Property	-	-	-	-	-	261
Increase (Decrease) in Value of Livestock	-	(146)	-	-	(146)	13
Debt Interest and Fiscal Charges	-	(987)	-	-	(987)	(1,370)
Net Gain on Investment Transactions	23	-	6,426	3,268	9,717	-
Federal Indirect Cost Recoveries	-	648	12	-	660	-
Other Nonoperating Rev. (Exp.)	-	-	(2)	-	(2)	12
Total Nonoperating Revenues (Expenses)	17	(431)	6,436	3,261	9,283	(955)
Income before Operating Transfers	19,983	745	43,436	139,546	203,710	228,566
Operating Transfers In (Out)	(13,831)	3,147	33,545	86	22,947	(9,290)
Difference Between Prior Year Commitments/Accruals and Actual	-	-	-	-	-	1,357
Net Income (Loss)	**6,152**	**3,892**	**76,981**	**139,632**	**226,657**	**220,633**
RETAINED EARNINGS/FUND BALANCES—July 1 As Previously Reported	57,679	45,355	618,975	960,769	1,682,778	1,462,716
Prior Period Adjustments (Note 3)	(2,206)	3,281	(8,176)	4	(7,097)	(541)
RETAINED EARNINGS/FUND BALANCES—July 1 As Restated	55,473	48,636	610,799	960,773	1,675,681	1,462,175
Residual Equity Transfers	(10)	-	(10)	-	(20)	(30)
RETAINED EARNINGS/FUND BALANCES - JUNE 30	**$ 61,615**	**$ 52,528**	**$ 687,770**	**$ 1,100,405**	**$ 1,902,318**	**$ 1,682,778**

The notes to the financial statements are an integral part of this statement.

STATE OF MONTANA

Combined Statement of Changes in Financial Position
All Proprietary Fund Types and Similar Trust Funds
For the Fiscal Year Ended June 30, 1986
(Expressed in Thousands)

	PROPRIETARY FUND TYPES		FUDICIARY FUND TYPES		TOTALS (MEMORANDUM ONLY)	
	ENTERPRISE	INTERNAL SERVICE	NONEXPENDABLE TRUST	PENSION TRUST	June 30, 1986	June 30, 1985
SOURCES OF WORKING CAPITAL:						
Operations:						
Net Income (Loss)	$ 6,152	$ 3,892	$ 76,981	$ 139,632	$ 226,657	$ 220,633
Items not Requiring Working Capital:						
Depreciation	163	4,898	-	18	5,079	4,753
Amortization of Net Loss on Securities Exchanged	-	-	-	237	237	2,494
Working Capital Provided by Operations	6,315	8,790	76,981	139,887	231,973	227,880
Decrease in Long-Term Investments	4,142	5,414	286,222	468,567	764,345	319,575
Disposal of Fixed Assets	75	2,830	-	7	2,912	833
Decrease in Noncurrent Receivables	33,548	32	3,115	-	36,695	27,824
Increase in Noncurrent Payables	229,295	5,677	-	-	234,972	121,947
Contributed Capital	2,274	228	-	-	2,502	2,938
Transfers from Other Funds	-	-	-	-	-	12
Increase in Compensated Absences Payable	21	85	-	6	112	166
Addition to Retained Earnings Due to Prior Period Adjustments	886	3,281	1,530	19	5,716	123
Total Sources of Working Capital	**276,556**	**26,337**	**367,848**	**608,486**	**1,279,227**	**701,298**
USES OF WORKING CAPITAL:						
Purchase of Long-Term Investment	159,087	5,429	330,056	529,054	1,023,626	440,490
Acquisition of Fixed Assets	637	10,095	-	32	10,764	8,164
Decrease in Noncurrent Payables	63,067	5,356	-	-	68,423	12,132
Purchase of Mortgage Loans	73,293	-	-	-	73,293	109,177
Transfers to Other Funds	-	-	-	-	-	42
Increase in Noncurrent Receivables	8,657	-	12,968	-	21,625	15,425
Contributed Capital	-	2,072	-	-	2,072	-
Payment of Issuance Costs	3,290	-	-	-	3,290	1,988
Decrease in Compensated Absences Payable	19	20	-	-	39	79
Reduction of Retained Earnings Due to Prior Period Adjustments	3,092	-	9,706	15	12,813	664
Residual Equity Transfers	10	-	10	-	20	-
Total Uses of Working Capital	**311,152**	**22,972**	**352,740**	**529,101**	**1,215,965**	**588,161**
Net Increase (Decrease) in Working Capital	**$ (34,596)**	**$ 3,365**	**$ 15,108**	**$ 79,385**	**$ 63,262**	**$ 113,137**
ELEMENTS OF NET INCREASE (DECREASE) IN WORKING CAPITAL:						
Cash and Cash Equivalents	$ (32,341)	$ 2,479	$ 639	$ 66,019	$ 36,796	$ 58,136
Cash with Fiscal Agent	1,898	(674)	-	-	1,224	446
Receivables (Net)	3,056	(78)	(1,347)	1,016	2,647	1,539
Interfund Loans Receivable	-	195	-	-	195	-
Due from Other Governments	-	-	-	-	-	34
Due from Other Funds	(1,084)	2,828	(1,931)	1,087	900	2,126
Inventories	(1,873)	1,252	-	-	(621)	1,156
Advances to Investment Pool	(2,324)	1,240	13,815	11,681	24,412	39,765
Other Assets	(437)	(184)	-	-	(621)	13,036
Accounts Payable	(2,931)	(833)	-	(380)	(4,144)	(915)
Interfund Loans Payable	(59)	(185)	-	-	(244)	171
Due to Other Funds	1,886	(2,692)	3,872	12	3,078	(3,065)
Deferred Revenue	(387)	(6)	60	-	(333)	737
Property Held in Trust	-	23	-	(50)	(27)	(29)
Net Increase (Decrease) in Working Capital	**$ (34,596)**	**$ 3,365**	**$ 15,108**	**$ 79,385**	**$ 63,262**	**$ 113,137**

The notes to the financial statements are an integral part of this statement.

STATE OF MONTANA

Statement of Revenues, Expenditures, Transfers and Changes in Fund Balances
All Higher Education Funds
For the Fiscal Year Ended June 30, 1986
(Expressed in Thousands)

	CURRENT FUNDS			
	UNRESTRICTED			
	GEN. OPERATING	DESIGNATED	AUXILIARY	RESTRICTED
REVENUES/OTHER ADDITIONS:				
Tuition and Fees	$ 25,808	$ 2,636	$ 4,528	$ 132
State Appropriations	-	-	-	200
Local Appropriations	1,614	-	-	186
Federal Grants and Contracts	3,792	9	-	26,205
State Grants and Contracts	3	185	-	3,343
Local Grants and Contracts	-	-	-	474
Private Gifts, Grants and Donations	4	156	1	6,078
Endowment Income	-	-	269	15
Sales/Services-Educational Activities	782	1,043	-	11
Sales/Services-Designated/ Auxiliary Enterprises	-	7,157	36,071	19
Indirect Costs Recovered	1,104	134	-	7
Investment Earnings	67	44	555	274
Recharged Service Collections	-	1,318	-	56
Acquisition of Long-Lived Assets	-	-	-	-
Retirement of Indebtedness	-	-	-	-
Other Revenues/Additions	1,047	2,719	773	161
Total Revenues/Other Additions	34,221	15,401	42,197	37,161
Less: Intrafund Revenues	(239)	-	-	(1)
Net Revenues/Other Additions	**33,982**	**15,401**	**42,197**	**37,160**
EXPENDITURES/OTHER DEDUCTIONS:				
Instruction	65,806	1,573	123	3,866
Research	9,323	78	-	9,988
Public Service	3,521	513	38	2,811
Academic Support	11,420	1,304	-	1,029
Student Services	11,161	3,091	-	1,424
Institutional Support	13,987	5,551	-	428
Loan Cancellations/Write-Offs	-	-	-	-
Administrative/Collection Costs	10	-	-	-
Scholarships and Fellowships	2,715	-	-	16,551
Auxiliary Enterprises	-	-	36,420	17
Operation and Maintenance of Plant	16,283	1,818	-	50
Plant Funds	-	-	-	-
Debt Services	104	219	24	42
Capital Outlay	3,952	959	157	1,714
Disposal of Long-Lived Assets	-	-	-	-
Debt Incurred	-	-	-	-
Other Expenditures/Deductions	2,579	8	3	9
Total Expenditures/Other Deductions	140,861	15,114	36,765	37,929
Less: Intrafund Expenditures	(239)	-	-	(1)
Net Expenditures/Other Deductions	**140,622**	**15,114**	**36,765**	**37,928**
TRANSFERS IN (OUT)/OTHER ADDITIONS (DEDUCTIONS):				
Transfers from State General Fund	87,393	-	-	-
Millage Transfers	15,239	-	-	21
Mandatory Transfers	1,511	(115)	(4,070)	(30)
Nonmandatory Transfers	984	28	110	(6)
Other Transfers	-	-	-	-
Total Transfers In (Out)	105,127	(87)	(3,960)	(15)
Move Equity to Investment in Plant	-	-	-	-
Gain (Loss) on Debt Extinguishment	-	-	-	-
Bond Proceeds	-	-	-	-
Difference Between Prior Year Encumbrances/Accruals and Actual	-	-	-	-
Total Transfers In (Out) and Other Additions (Deductions)	105,127	(87)	(3,960)	(15)
Net Increase (Decrease) in Fund Balances	**(1,513)**	**200**	**1,472**	**(783)**
FUND BALANCES—July 1—As Previously Reported	(10,962)	3,602	6,985	2,013
Prior Period Adjustments (Note 3)	1,847	(284)	(717)	(6)
FUND BALANCES—July 1—As Restated	(9,115)	3,318	6,268	2,007
Residual Equity Transfers	-	-	-	(1)
FUND BALANCES—June 30	**$ (10,628)**	**$ 3,518**	**$ 7,740**	**$ 1,223**

The notes to the financial statements are an integral part of this statement.

FIDUCIARY FUNDS		PLANT FUNDS				TOTALS (MEMORANDUM ONLY) YEAR ENDED	
STUDENT LOANS	ENDOWMENTS	UNEXPENDED	RENEWAL AND REPLACEMENT	RETIREMENT OF INDEBT	INVESTMENT IN PLANT	June 30, 1986	June 30, 1985
$ -	$ -	$ 1,005	$ 145	$ 1,694	$ -	$ 35,948	$ 33,838
-	-	-	-	-	-	200	121
-	-	-	-	-	-	1,800	1,350
717	-	-	22	1	-	30,746	28,756
39	-	-	-	22	-	3,592	4,354
-	-	-	-	-	-	474	808
26	29	631	-	-	-	6,925	5,017
-	-	1,036	-	731	-	2,051	2,056
-	-	-	7	-	-	1,843	2,432
-	-	1	76	72	-	43,396	42,414
-	-	-	-	-	-	1,245	1,941
230	-	2,617	281	1,108	-	5,176	4,173
-	-	-	-	-	-	1,374	525
-	-	-	-	-	42,127	42,127	25,190
-	-	-	-	-	26,960	26,960	28,806
83	-	6,135	642	2,437	-	13,997	12,649
1,095	29	11,425	1,173	6,065	69,087	217,854	194,430
-	-	-	-	-	-	(240)	(287)
1,095	**29**	**11,425**	**1,173**	**6,065**	**69,087**	**217,614**	**194,143**
-	-	-	-	-	-	71,368	72,474
-	-	-	-	-	-	19,389	20,164
-	-	-	-	-	-	6,883	6,506
-	-	-	-	-	-	13,753	16,126
27	-	-	-	-	-	15,703	16,574
-	-	-	-	-	-	19,966	20,225
127	-	-	-	-	-	127	140
141	-	-	-	-	-	151	33
-	-	-	-	-	-	19,266	15,955
-	-	-	-	-	-	36,437	35,478
-	-	-	-	-	-	18,151	18,665
-	-	325	842	77	-	1,244	3,572
-	-	774	-	58,647	-	59,810	36,722
-	-	461	1,082	26	-	8,351	7,628
-	-	-	-	-	14,600	14,600	1,756
-	-	-	-	-	41,392	41,392	18,374
-	-	-	-	257	-	2,856	868
295	-	1,560	1,924	59,007	55,992	349,447	291,260
-	-	-	-	-	-	(240)	(287)
295	**-**	**1,560**	**1,924**	**59,007**	**55,992**	**349,207**	**290,973**
-	-	-	-	-	-	87,393	89,734
-	-	-	-	-	-	15,260	14,629
13	-	(13,440)	9	17,328	-	1,206	(9,128)
(5)	2	(270)	1,228	(831)	-	1,240	10,854
-	-	-	-	-	-	-	(52)
8	2	(13,710)	1,237	16,497	-	105,099	106,037
-	-	7,995	371	-	-	8,366	16,186
-	-	-	-	(2,562)	-	(2,562)	8,068
-	-	-	-	42,766	-	42,766	1,260
-	-	-	-	-	-	-	11,402
8	2	(5,715)	1,608	56,701	-	153,669	142,953
808	**31**	**4,150**	**857**	**3,759**	**13,095**	**22,076**	**46,123**
15,992	1,997	2,876	2,177	18,476	310,177	353,333	315,041
(328)	-	1,356	1,110	(12,502)	-	(9,524)	(7,831)
15,664	1,997	4,232	3,287	5,974	310,177	343,809	307,210
-	6	-	-	-	-	5	-
$ 16,472	**$ 2,034**	**$ 8,382**	**$ 4,144**	**$ 9,733**	**$ 323,272**	**$ 365,890**	**$ 353,333**

STATE OF MONTANA

NOTES TO THE FINANCIAL STATEMENTS

June 30, 1986

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. **Reporting Entity** - For financial reporting purposes, in conformance with the Governmental Accounting Standards Board (GASB) Cod. Sec. 2100, the State of Montana includes all fund types and account groups of the various agencies, boards and commissions that are controlled by or dependent on the State's legislative, executive or judicial branches. Control by or dependence on the State was determined on the basis of the following criteria, as defined in GASB Cod. Sec. 2100: selection of governing authority, designation of management, ability to significantly influence operations, accountability for fiscal matters and scope of public service. The following organizations meet this criteria and are included in the accompanying financial statements:

Higher Education Units	Financing Authorities
State-owned Universities/Colleges/ Vocational-Technical Centers	Housing Authority Montana Health Facility Authority Montana Economic Development Board Montana Agricultural Loan Authority

The following organizations have been determined not to be part of Montana's reporting entity after applying the above criteria and are excluded from the accompanying financial statements because the State does not control the assets, operations or management of the respective entities: (1) community colleges; (2) the Montana Higher Education Student Assistance Corporation; and (3) private foundations supporting public education.

B. **Basis of Presentation** - Montana reports its financial activity in accordance with generally accepted accounting principles (GAAP) as prescribed in pronouncements of the GASB. The financial statements of the higher education funds have been prepared in conformity with GAAP for colleges and universities, except for General Fund appropriations, which are reported as "Transfers from State General Fund".

For comparative purposes, certain expenditure balances for fiscal year 1985 have been restated in the accompanying financial statements due to reclassifying expenditure functions of certain programs. A capital outlay expenditure and other financing source for Leases/Installment Purchases were recorded for fiscal year 1985 activity (which was not previously reported) in the General Fund. It was not practical to restate the fiscal year 1985 "Reimbursements" operating statement line item to reflect the fiscal year 1986 classification of this activity more appropriately as "Charges for Services", "Federal Indirect Cost Recoveries", etc.

Significant intrafund transactions and balances have been eliminated.

C. **Fund Structure** - Montana's various funds are grouped in the financial statements in this report as follows:

GOVERNMENTAL FUNDS

General Fund - To account for all governmental financial resources except those required to be accounted for in another fund.

Special Revenue Funds - To account for the proceeds of specific revenue sources restricted to expenditure for specified purposes (other than expendable trusts or major capital projects).

Debt Service Funds - To account for resources accumulated for payment of principal and interest on general long-term debt obligations.

Capital Projects Funds - To account for resources used for the acquisition or construction of major capital facilities (other than those financed by proprietary or trust funds).

PROPRIETARY FUNDS

Enterprise Funds - To account for operations (a) financed and operated similar to private business enterprises, where the intent of the Legislature is that costs are to be financed or recovered primarily through user charges, or (b) where the Legislature has decided that periodic determination of revenue earned, expenses incurred, or net income is appropriate.

Internal Service Funds - To account for the financing of goods and services provided by one department or agency to other departments, agencies or other governmental entities on a cost-reimbursement basis.

FIDUCIARY FUNDS

Trust and Agency Funds - To account for assets held by the State in a trustee capacity or as an agent for individuals, private organizations, other governments or other funds. These include: (a) Expendable Trust Funds, (b) Nonexpendable Trust Funds, (c) Pension Trust Funds and (d) Agency Funds.

ACCOUNT GROUPS

General Fixed Assets Account Group - To account for all fixed assets of the State, except those accounted for in the Proprietary, Nonexpendable Trust, Pension Trust and Plant Funds.

General Long-Term Obligations Account Group - To account for all long-term obligations of the State, except those accounted for in Proprietary, Nonexpendable Trust, Pension Trust and Plant Funds.

HIGHER EDUCATION (UNIVERSITY AND VOCATIONAL-TECHNICAL CENTER) FUNDS

Current Funds

Unrestricted

General Operating - This fund includes the portion of financial resources that can be expended for general operations and is free of externally imposed restrictions, except those imposed by the Legislature.

Designated - This fund includes financial resources associated with general operations but are separately classified in order to accumulate costs that are to be recharged to other funds. It also identifies educational departments' special activities that are fully supported by supplemental assessments and identifies special supply and facility fees that are approved for collections beyond normal course fees and their disposition.

Auxiliary - This fund includes those financial resources devoted to providing essential on-campus services primarily to students, faculty or staff where a fee relating to the service is charged.

Restricted - This fund includes the portion of financial resources that can be expended for general operations but only for purposes imposed by sources external to the Board of Regents and the Legislature.

Fiduciary Funds

Student Loans - Accounts for monies which may be loaned to students, faculty or staff for purposes related to education, organized research or public services by the higher education system.

Endowments - Accounts for monies where the principal is available for investment. Investment earnings are to be transferred to appropriate operating funds pursuant to prevailing administrative requirements.

Agency - Accounts for monies where the State acts in the capacity of a custodian or fiscal agent for individual students, faculty, staff or qualified organizations.

Plant Funds

Unexpended - Accounts for unexpended resources derived from various sources to finance the acquisition/construction of plant assets and the associated liabilities.

Renewal and Replacement - This fund's resources provide for the renewal and replacement of plant fund assets as distinguished from additions and improvements.

Retirement of Indebtedness - This fund accumulates resources for interest and principal payments and other debt service charges, including contributions to reserves, relating to plant fund indebtedness.

Investment in Plant - This fund includes all long-lived assets in the service of the higher education unit as well as all associated liabilities.

The "Total - Memorandum Only" column represents a summation of the combined financial statements and does not represent the total resources available or total revenues and expenditures/expenses of the State.

D. **Basis of Accounting** - The accounting and reporting treatment applied to a fund is determined by its measurement focus. All Governmental Funds, Expendable Trust Funds and Agency Funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is followed in the Governmental Funds, Expendable Trust Funds and Agency Funds. Under the modified accrual basis, revenues are susceptible to accrual and recognized when they are measurable and available to pay current period liabilities. Intergovernmental revenues received as reimbursements are recognized based upon the expenditures/encumbrances recorded. Intergovernmental revenues received but not earned are recorded as deferred revenues. Taxes on coal sales, gas and oil production, individual income and other self-assessed taxes are recognized as revenues, if available, when tax returns are filed. Based on historical analysis, a liability has been recognized for collected withholding taxes that will be refunded in fiscal year 1987. Expenditures are recognized when the related liability is incurred, with the following exceptions:

(1) principal and interest on long-term debt is reported when due;

(2) prepayments are accounted for as expenditures in the period of acquisition; and

(3) inventory items are considered expenditures when purchased.

All Proprietary, Pension Trust and Nonexpendable Trust Funds are accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and all liabilities associated with this activity are included on their balance sheets. Operating statements for these funds present increases (revenues) and decreases (expenses) in net total assets.

Proprietary, Pension Trust, Nonexpendable Trust and Higher Education Funds are maintained and report on the accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned and become measurable; expenses are recognized in the period incurred, if measurable. In Higher Education Funds, depreciation expense related to plant fund assets is not recorded; also, student tuition and fees are fully recognized in the fiscal year in which the related courses or activities are principally conducted. Proprietary and Higher Education Funds' unbilled receivables are recognized as revenue.

E. **The State Budget Process** - Montana is a biennial budget state. The constitution requires that Legislative appropriations not exceed available revenues. Revenues are administratively budgeted, but not legally adopted. Expenditures may not legally exceed budgeted appropriations at the program level. In addition, the State Constitution prohibits borrowing to cover deficits incurred because appropriations exceeded anticipated revenues. Budgets are required by State law for the General, Special Revenue, Capital Projects, Enterprise and Internal Service Funds. Budgets may be established in other funds for administrative purposes.

Agency budget requests are submitted to the Governor and the legislative fiscal analyst. The Governor and budget director establish priorities and balance the budget. The Governor's budget is submitted to the legislative fiscal analyst who then prepares recommendations. A comparison of those recommendations with the Governor's budget is submitted to the Legislature. Joint appropriations subcommittee hearings are held and an omnibus appropriation bill is reported to the House and subsequently to the Senate. The Legislature generally enacts one bill making all appropriations for the next two fiscal years. Other appropriations are enacted by the Legislature, but only within the revenue available. Agencies must prepare and submit to the budget director operational plans showing the allocation of operating budgets by line item (i.e., personal services, contractual services, equipment, etc.). The budget director may authorize transfers of funds between line items unless limited by the appropriation act.

Appropriations may not be increased by amendment in the General Fund. However, a department, institution or agency of the executive branch desiring authorization to make expenditures from the General Fund during the first fiscal year of the biennium from appropriations for the second fiscal year of the biennium may apply for authorization from the Governor through the budget director. Additionally, the Governor may approve budget amendments for non-General Fund monies not available for consideration by the Legislature and for emergencies. In the accompanying financial statements, reported budget amounts are as amended, if applicable. Supplemental appropriations of $5,356,246 for the General Fund for fiscal year 1986 were approved during a 1986 Special Legislative Session. There were no recorded expenditures in excess of total authorized appropriations in the State's budgeted funds for the year.

Appropriations may be continued into the next fiscal year when authorized by the Legislature or the Governor's Office. Appropriations that are not continued are reverted after fiscal year-end. The reverted appropriations remain available for one fiscal year for expenditures that exceed the amount accrued/encumbered. Fund balances/retained earnings are not reserved for reverted appropriations. Reverted appropriations for fiscal year 1986 were $175.6 million for all funds.

Because Capital Projects Funds' appropriations are not made on an annual basis, Capital Projects Funds' activities are not presented in the Combined Statement of Revenues, Expenditures, Other Financing Sources (Uses) and Reconciliation of Budget and Actual (Budgetary Basis) to GAAP Basis.

F. **Encumbrances** - Encumbrance accounting, under which purchase orders, contracts and other commitments are recorded as expenditures and liabilities in order to reserve that portion of the applicable appropriation, is employed for budget control purposes. Encumbrances outstanding at year-end are reported as reservations of fund balances for subsequent year expenditures.

G. **Budget Basis** - The Legislature's legal authorization ("appropriations") to incur obligations is enacted on a basis inconsistent with GAAP. The budget basis differs from GAAP for encumbrances outstanding at year-end; compensated absences, fixed assets and inventories purchased in Proprietary Funds; compensated absences and inventories purchased in Higher Education Funds; certain loans from Governmental Funds; deferred gains (losses) on bond swaps; and, other miscellaneous nonbudgeted activity (e.g., bad-debt write-offs, etc.). The General and Special Revenue Fund Type budgetary statement includes a reconciliation between "Excess of revenues and other sources over (under) expenditures and other uses" on the budgetary basis and the GAAP basis.

H. **Cash and Cash Equivalents** - This classification includes bank accounts, imprest cash funds, cash in U.S. Treasury, cash with trustee banks, cash on hand at fiscal year-end; short- and long-term investments of excess treasury cash are also included. These investments are stated at cost, which at June 30, 1986 was approximately 98% of the market value. The majority of short-term investment earnings are credited to the State's General Fund.

I. **Receivables** - This classification, net of estimated uncollectibles, consists primarily of receivables for goods sold and services provided; short-term loans and notes; interest and dividends; and income, withholding and inheritance taxes that are past due. An allowance for uncollectible taxes is provided based upon historical analysis. The allowance for uncollectible taxes at June 30, 1986 was $2.3 million.

J. **Inventories** - Inventories of materials and supplies are stated at lower of cost or market. The State allows agencies to use any generally accepted inventory pricing method, but specifies that the first-in, first-out method should be appropriate for most agencies.

Governmental and Expendable Trust Funds use the "purchase method", meaning inventory purchases are recorded as expenditures. At fiscal year-end significant amounts of inventory are shown as a reserve of fund balance, indicating they do not constitute "available spendable resources".

Proprietary, Pension Trust, Nonexpendable Trust and Higher Education Funds report using the "consumption method", meaning inventories are expensed as used.

K. **Advances to Investment Pool** - The Montana Board of Investments operates two investment pools. One allows State agencies and local governments with small amounts of excess cash to pool their resources for short-term investment purposes, resulting in greater investment earnings. At June 30, 1986, this pool's book value was 99% of market value. The other pool purchases common stock of publicly held companies. This pool's book value at June 30, 1986 was 63% of market value. The "Allowance for Realized Gains (Losses)" reported in the Fiduciary Fund Type is a result of ongoing portfolio transactions in these two investment pools. Montana statutes limit the types of stock that may be purchased.

L. **Investments** - This classification includes long-term investments stated at cost or amortized cost aggregating $1.7 billion. At June 30, 1986, the book value of investments managed by the Montana Board of Investments ($1.5 billion) was 92% of market value. The remaining $.2 billion of long-term investments consists of deferred compensation plan investments, investments with trustees and investments administered by agencies. Book value approximates market value for these investments. Debt securities included in this classification are expected to be held to maturity and redeemed at face value. Premiums and discounts are amortized over the maturity of the investment using the straight-line method.

M. **Deferred Gains (Losses)** - This classification is used in the Pension Trust Funds to reflect use of the deferral and amortization method of accounting for gains (losses) on the exchange of securities.

N. **Restricted Assets** - Funds set aside for payment of the Housing Authority's revenue bonds and 1% of the amount allocated to the housing programs are classified as restricted assets since their use is restricted by applicable bond resolutions. At June 30, 1986, the restricted assets met or exceeded requirements contained in the trust indentures.

O. **Fixed Assets and Depreciation** - Fixed asset valuation is based on actual or estimated historical cost or, in the case of donations, fair market value at the time of receipt. Infrastructure general fixed assets, such as highways, bridges, curbs and gutters are generally not capitalized. Interest incurred during construction is not capitalized for general fixed assets or higher education units' fixed assets.

The State's general fixed assets are stated at cost and are not depreciated in the General Fixed Assets Account Group. When purchased, such assets are recorded as expenditures in the governmental type funds and Expendable Trust Funds.

Proprietary, Pension Trust and Nonexpendable Trust Funds' fixed assets are accounted for within their respective funds. They are depreciated on a straight-line basis with estimated useful lives of 30-50 years for buildings, 20 years for improvements and 4-12 years for equipment.

Higher Education Units' fixed assets are accounted for in the Investment in Plant Fund and are not depreciated.

P. **Deferred Revenue** - Deferred revenues are those where asset recognition criteria have been met but for which revenue recognition criteria have not been met.

Q. **Property Taxes** - Real property taxes are levied in October and are payable in two installments on November 30 and May 31. These taxes attach as an enforceable lien immediately upon becoming delinquent.

Personal property tax levies are set each August and notices are normally mailed the following March or April. Half of mobile home taxes are due in 30 days and the remaining half on September 30. Taxes on all other types of personal property are to be paid in full 30 days after receipt of the notice. Personal property taxes attach as an enforceable lien immediately upon becoming delinquent.

Property taxes are collected by each of Montana's 56 counties. The counties then submit the State's portion to the State Treasury. The majority of these taxes help fund the public school systems and higher education.

R. **Difference Between Prior Year Encumbrances/Accruals and Actual** - In fiscal year 1985, this line item reflected the net difference between the prior year's reserve for encumbrances and actual expenditures and between estimated accounts receivable and actual collections. For fiscal year 1986, these differences are reported as adjustments to appropriate expenditure functions and miscellaneous revenue in the accompanying financial statements.

S. **Fund Balance/Retained Earnings Reserves** - Portions of fund equity are reported as "reserved" to indicate (1) amounts not available for expenditure, such as equity represented by inventories; and (2) amounts legally segregated for a specific future use, such as those pledged for debt service and retirement or legally-binding contractual agreements.

T. **Compensated Absences** - State employees earn vacation leave ranging from 15 to 24 days per year depending on the individual's years of service. Vacation leave may be accumulated to a total not to exceed two times the maximum number of days earned annually. Sick leave is earned at the rate of 12 days per year with no limit on accumulation. Upon retirement or termination, an employee is paid for 100% of unused vacation leave and 25% of unused sick leave. As of June 30, 1986, the State's liability for unused vacation and sick leave for Higher Education Funds (university and vocational-technical center employees) was $12.7 million. The remaining agencies' leave liabilities at June 30, 1986 were $27.2 million, an increase of $.9 million over the June 30, 1985 leave liability of $26.3 million: this increase resulted from the following (in millions):

	Balance June 30, 1985	Leave Earned	Leave Used	Balance June 30, 1986
Governmental Fund Types and Similar Trust Funds	$ 24.4	$ 12.3	$ 11.5	$ 25.2
Proprietary Fund Types and Similar Trust Funds	1.9	1.1	1.0	2.0
Total Non-Higher Education Funds	$ 26.3	$ 13.4	$ 12.5	$ 27.2

2. INTERFUND TRANSACTIONS

During the course of normal operations, the State has numerous transactions between funds to finance operations, provide services, construct assets, service debt, etc. Montana statutes include a provision for short-term interfund loans (due within one year) when the expenditure of an appropriation is necessary and the cash balance in the account from which the appropriation was made is insufficient to pay the expenditure. To the extent that certain transactions between funds have not been paid or received as of June 30, 1986, interfund receivables/payables (Due From/To Other Funds) have been recorded. The schedule below presents all interfund balances outstanding at June 30, 1986 (in thousands):

	Interfund Loans		Due From	Due To	Operating Transfers		Residual Equity Transfers	
Fund	Receivable	Payable	Other Funds	Other Funds	In	Out	In	Out
General	$ 7,034	$ 24,360	$ 43,257	$ 10,117	$ 79,203	$ 102,741	$ 4,180	$ -
Special Revenue Funds								
State	36,059	6,306	35,121	46,164	38,189	42,259	-	35,323
Federal	-	15,215	2,393	5,422	20	1,494	38	-
Revolving	30	-	274	776	961	-	5,073	-
Private Donations	-	-	79	109	55	-	10	-
Interest and Income	-	39	134	37	-	-	-	-
Assessments	-	-	1	30	-	-	-	-
Debt Service Funds								
Long-Range Building	-	-	120	364	13,757	35,639	3	-
Highways Building Complex	-	-	-	-	646	-	-	-
Highway Revenue Bonds	-	-	-	1,416	14,127	-	17,500	-
Water Conservation	-	-	-	-	28	-	-	-
Renewable Resource	-	-	-	-	-	391	-	-
Coal Tax Bonds	-	-	-	-	2,438	40,038	6,024	-
Water Development	-	-	54	-	185	170	4,188	-
Airport Bonds	-	-	-	-	-	9	-	-
Capital Projects Funds								
Long-Range Building	-	-	1	307	-	2,704	-	3
Capital Land Grant	-	-	121	520	-	750	-	-
Fed./Private Constr. Grant	-	-	-	2	-	-	-	-
Enterprise Funds								
Liquor Stores	-	-	3	906	-	14,071	-	-
Housing Authority	-	-	7	20	-	-	-	-
West Yellowstone Airport	-	-	-	3	10	-	-	-
Employees Group Benefits	-	-	686	12	-	-	-	-
Economic Development Board	-	150	1	21	189	-	-	-
Health Facilities Authority	-	-	-	6	-	-	-	-
Beginning Farm Loans	-	197	-	-	-	-	-	-
Historical Society Merchandise	-	-	-	3	-	-	-	10
Historical Society Magazine	-	-	-	6	41	-	-	-
Historical Society Press	-	-	-	2	-	-	-	-
Leaf-Cutting Bee	-	-	-	2	-	-	-	-
Internal Service Funds								
Motor Pool	-	-	119	18	-	-	-	-
Central Data Processing	-	-	677	249	-	-	-	-
Local Government Audits	-	-	8	61	175	-	-	-
Prison Ranch	35	93	38	30	-	-	-	-
Publications and Graphics	-	-	367	56	-	-	-	-
Communications	-	-	474	33	-	-	-	-
Buildings and Grounds	-	-	13	65	26	-	-	-
Admin. Insurance	-	-	59	65	-	-	-	-
Admin. Legal	-	-	-	3	-	-	-	-
Justice Legal	-	-	24	22	-	-	-	-
Commerce Legal	-	-	14	17	-	-	-	-
FWP Office Supply	-	-	4	8	-	-	-	-
FWP Equipment	-	-	127	6	-	-	-	-
FWP Warehouse Inventory	-	-	24	5	-	-	-	-
Highways Photo and Data Processing	-	200	521	185	-	-	-	-
Highway Equipment	200	-	4,455	3,396	2,910	-	-	-
Admin. Central Stores	-	-	165	28	-	-	-	-
Commerce Central Services	-	-	97	38	-	-	-	-
Mail and Messenger	-	-	70	13	-	-	-	-
Personnel Training	-	-	13	8	31	-	-	-
Investment Division	-	-	-	50	-	-	-	-
Prison Industries	-	35	54	14	-	-	-	-
Aircraft Operations	-	-	21	2	-	-	-	-
PSC Audit Reimb.	-	-	-	-	5	-	-	-
MYTC Employee Meals	-	-	-	2	-	-	-	-

Continued on next page.

	Interfund Loans		Due From	Due To	Operating Transfers		Residual Equity Transfers	
Fund	Receivable	Payable	Other Funds	Other Funds	In	Out	In	Out
Expendable Trust Funds								
Rural Development	-	-	-	3	-	-	-	-
Hail Insurance	-	-	-	13	-	-	-	-
Unemployment Insurance	237	-	-	-	-	-	-	-
State Comp. Insurance	-	-	161	14	-	6,072	-	-
Resource Indemnity	-	-	122	1,394	-	6,715	-	-
Uninsured Employers	-	-	2	10	-	84	-	-
Fullam Estate	-	-	2	-	-	-	-	-
Coal Tax Trust	-	-	443	7,793	-	38,592	-	-
BN Geraldine Settlement	-	-	3	-	3	-	-	-
Nonexpendable Trusts								
Permanent Coal Tax	-	-	1,314	421	44,967	-	-	-
Education	-	-	-	1,565	-	11,364	-	-
Resource Indemnity	-	-	11	122	-	-	-	-
Parks, Cultural, Aesthetic Projects	-	-	28	22	-	-	-	-
Land Grants	-	-	1,581	1,609	-	-	-	10
Thomas Teakle	-	-	-	3	-	-	-	-
Charles Bair	-	-	-	-	-	55	-	-
BN Geraldine Settlement	-	-	-	3	-	3	-	-
Agency Funds								
Unissued Warrants	-	-	-	15	-	-	-	-
Employees Deferred Comp.	-	-	262	1	-	-	-	-
Intergovernmental	-	-	905	130	-	-	-	-
Uncleared Collections	-	-	3	2,429	-	-	-	-
Land Grant Interest	-	-	7,915	29,354	-	-	-	-
A&E Advances	-	-	182	20	-	-	-	-
Central Payroll	-	-	16,315	1,878	-	-	-	-
Investment Pool	-	-	1,840	7,818	-	-	-	-
Child Support Collections	-	-	10	-	-	-	-	-
Bad Debts	-	-	13	16	-	-	-	-
Deposits	3,000	-	-	225	-	-	-	-
Custodial Accounts	-	-	1	1,543	-	-	-	-
Pension Trust Funds								
Teachers	-	-	378	46	-	-	-	-
PERS	-	-	1,409	12	-	-	-	-
Municipal Police	-	-	2,340	-	-	-	-	-
Game Wardens	-	-	34	-	-	-	-	-
Sheriffs	-	-	1	-	-	-	-	-
Judges	-	-	60	-	-	-	-	-
Highway Patrol	-	-	48	-	-	-	-	-
Volunteer Firefighters	-	-	500	-	86	-	-	-
Unified Firefighters	-	-	2,770	-	-	-	-	-
Higher Education Funds								
Current Funds								
Unrestricted								
General Operating	2,561	-	2,821	3,430	105,127	-	-	-
Designated	-	1,968	2,649	1,763	-	87	-	-
Auxiliary	-	-	905	977	-	3,960	-	-
Restricted	-	688	968	2,551	-	15	-	1
Fiduciary								
Student Loans	-	-	39	126	8	-	-	-
Endowments	-	-	-	-	2	-	6	-
Agency	55	30	1,472	1,420	-	-	-	-
Plant								
Unexpended	154	394	310	193	-	13,710	-	-
Renewal and Replacement	635	-	880	73	1,237	-	-	-
Retirement of Indebtedness	-	325	164	846	16,497	-	-	-
TOTALS/Subtotals	$ 50,000	$ 50,000	$ 138,457	$ 138,457	$ 320,923	$ 320,923	37,022	35,347

Reconciling Items - Residual Equity Transfers	In	Out
Cash Transfers From Agency Funds	-	1,995
Additions to Contributed Capital:		
Internal Service Funds		
FWP Office Supply	25	-
FWP Warehouse Inventory	75	-
Enterprise Fund		
FWP Snowgroomer	220	-
Totals	$ 37,342	$ 37,342

3. PRIOR PERIOD ADJUSTMENTS

For the fiscal year-ended June 30, 1986, the following corrections of errors have resulted in beginning fund equity restatements (in thousands):

	Increase (Decrease)					
FUND TYPE	A	B	C	D	E	TOTALS
General Fund	$ (1,099)	$ -	$ -	$ -	$ 1,076	$ (23)
Special Revenue	8,804	-	765	-	-	9,569
Enterprise	-	(1,915)	-	-	(291)	(2,206)
Internal Service	-	2,073	-	1,208	-	3,281
Expendable Trust	-	-	(781)	-	-	(781)
Nonexpendable Trust	(8,176)	-	-	-	-	(8,176)
Pension Trust	-	-	(1)	5	-	4
Higher Education:						
General Operating	223	-	1,624	-	-	1,847
Designated	-	-	(284)	-	-	(284)
Auxiliary	31	-	(748)	-	-	(717)
Restricted	-	-	(6)	-	-	(6)
Student Loans	-	-	-	-	(328)	(328)
Unexpended Plant	142	-	3,050	-	(1,836)	1,356
Renewal & Replacement	-	-	1,110	-	-	1,110
Retirement of Indebtedness	77	-	(4,710)	-	(7,869)	(12,502)
TOTALS	$ 2	$ 158	$ 19	$ 1,213	$ (9,248)	$ (7,856)

A. For fiscal year 1986, accounting gains (losses) on exchanges of investments are reported in the Nonexpendable Trust Fund holding the investments. These gains (losses) were previously reported in the funds where net earnings were distributed.

B. Contributed capital was reported incorrectly as retained earnings in fiscal year 1985.

C. Restatements for activity reported incorrectly in another fund in fiscal year 1985.

D. Corrections for fixed asset purchases recorded as expenditures.

E. Miscellaneous corrections in recording fiscal year 1985 activity.

4. STATE DEBT

General Information - The State has no constitutional limit on its power to issue obligations or incur debt other than a proviso that no debt may be created to cover deficits incurred because appropriations exceeded anticipated revenues. The Board of Examiners (consisting of the Governor, Secretary of State and Attorney General) is authorized, pursuant to various enabling acts, to issue bonds and notes of the State.

Short-Term Debt

The Board of Examiners, upon recommendation of the Department of Administration, may issue notes in anticipation of the receipt of taxes and revenues. No notes may be issued to refund outstanding notes. The notes must be redeemed at the end of the fiscal year in which issued. The State issued $46 million of these notes on July 18, 1985; they were redeemed in June, 1986. On July 31, 1986 (fiscal year 1987) $83.2 million of tax and revenue anticipation notes were issued and are due June 30, 1987.

Long-Term Debt

The full faith, credit and taxing powers of the State are pledged for the payment of all general obligation debt. Revenue bonds and mortgage bonds are secured by a pledge of resources from the facilities to which they relate and by certain other revenues, fees and assets of the State and the various colleges and universities. Long-term debt (excluding bonds/notes of Enterprise Funds discussed elsewhere in this footnote; Leases - Note 5; and Compensated Absences - Note 1.T.) of the State at June 30, 1986, is as follows (in thousands):

		Amount	Interest	Principal Payments			Balance
General Obligation Debt	Series	Issued	Range (%)	FY 1987	Year of Maturity		June 30, 1986
Highway Building Complex	1976	$ 7,400	4.1-6.1	$ 360	$ 600	(1996)	$ 4,705
GO Refunding	1983 A	58,160	8.875-9.5	700	590	(2010)	56,685
Long-Range Building Program	1983 B	39,330	6.0-8.2	4,935	195	(1995)	30,690
SRS Building (1)		1,640	9.0	73	72	(1997)	1,194
Water Development Program	1983 C	1,300	6.0-8.2	170	225	(1991)	990
Water Development Program	1984 A	900	8.4-9.2	-(2)	150	(1996)	900
Long-Range Building Program	1985 A	8,550	5.75-8.0	1,000	150	(2001)	8,550
Water Development Program (3)	1985 B	1,000	5.75-7.7	50	175	(1996)	1,000
Renewable Resource Development (3)	1985 C	1,100	5.75-7.7	50	200	(1996)	1,100
Water Development Program	1985 D	1,000	5.5-6.875	75	125	(1996)	1,000
Total General Obligation Debt		$ 120,380		$ 7,413			$ 106,814
Special Revenue Bonds							
Department of Highways	1983	$ 64,000	6.75-8.25	$ 11,075	$ 14,755	(1991)	$ 64,000
Water Development Program (4)	1985 A	16,685	5.75-9.625	370	1,720	(2006)	16,865
Water Development Program (4)	1985 B	11,500	(5)	-(5)	1,200	(2007)	11,500
Water Conservation (6)		535	3.463-5.0	12	3	(2016)	418
Employment Security Division Building		1,390	8.0	110	16	(1988)	126
Total Special Revenue Bonds		$ 94,110		$ 11,567			$ 92,909
Nonbonded Debt							
Department of Highways BANS (7)	1985	$ 43,675	5.125-6.125	$ 14,600	$ 14,475	(1988)	$ 43,675
Cooney Dam Rehabilitation (8)		1,308	None	25	22	(2020)	1,242
Broadwater Hydroelectric (8)		50	7.375	7	7	(1991)	36
Total Nonbonded Debt		$ 45,033		$ 14,632			$ 44,953
TOTAL GENERAL LONG-TERM OBLIGATIONS ACCOUNT GROUP							**$ 244,676**

(1) Chapter 242, 1974 Laws of Montana authorized a lease-purchase contract commencing November 1, 1976.
(2) First payment of $50,000 is due in 1989.
(3) Series 1985 B and 1985 C are additionally secured by a pledge of and payable from certain coal severance taxes. Series 1985 B is also secured by a pledge of loan repayments from loans made from the proceeds thereof.
(4) Issued by the Department of Natural Resources and Conservation (DNRC) and backed by a pledge of coal severance taxes.
(5) Adjustable convertible extendable securities - debt service assumed at 9%. First payment of $200,000 is due in 1988.
(6) Bonds were sold to Farmers Home Administration.
(7) Bond anticipation notes issued to defease $39.075 million of outstanding BANS plus accrued interest.
(8) DNRC Federal Loans.

Board of Regents Issues Higher Education Units	Series	Amount Issued	Interest Range (%)	Principal Payments FY 1987	Principal Payments Year of Maturity	Balance June 30, 1986
Pooled Equipment Financing (U of M, MSU and EMC)	1985	$ 9,090	5.5-8.0	$ 890	$ 2,725 (1993)	$ 9,090
University of Montana (U of M)	1985 A-B	11,094	5.5-9.75	660	162 (2008)	11,094
Montana State University (MSU)	A-B 1985	35,640	5.5-9.75	415	8,625 (2010)	35,640
Montana College of Mineral Science & Technology (TECH)	A 1986	6,745	4.5-7.625	130	1,070 (2010)	6,745
Eastern Montana College (EMC)	A-B 1985	10,950	5.25-9.5	260	1,150 (2005)	10,950
Northern Montana College	1972 A-H	3,489	2.75-3.5	90	33 (2019)	2,541
Western Montana College	1966B-D/1967A-B/B1985	2,412	2.75-7.75	70	16 (2008)	1,085
Total Higher Education Revenue Bonds		$ 79,420		$ 2,515		$ 77,145
Higher Ed Nonbonded Debt						
EMC Mortgage Payable		$ 170	10.5	$ 17	$ 17 (1993)	$ 119
EMC Computer Site Note Payable		100	None	10	10 (1993)	70
U of M Mortgage Payable		50	Varies Yearly	4	1 (1998)	50
MSU - SIDs owed to City of Bozeman		193	4.3-6.7	6	5 (1994)	43
Total Higher Education Nonbonded Debt		$ 513		$ 37		$ 282
TOTAL HIGHER EDUCATION FUNDS' LONG-TERM NOTES/BONDS PAYABLE						**$ 77,427**

Debt service requirements (principal and interest) for long-term notes/bonds payable reported in the General Long-Term Obligations Account Group and Higher Education Funds are as follows (in thousands):

Fiscal Year Ending June 30	General Obligation Debt	Special Revenue Bonds	Higher Ed Revenue Bonds	Non-Bonded Debt	Total Requirements
1987	$ 15,813	$ 18,666	$ 8,437	$ 16,416	$ 59,332
1988	15,725	18,697	8,459	15,279	58,160
1989	15,950	18,590	8,477	14,560	57,577
1990	15,951	18,609	8,508	85	43,153
1991	15,912	18,522	8,535	83	43,052
1992	14,487	3,120	8,582	73	26,262
1993	14,061	3,190	9,881	72	27,204
1994	14,801	3,147	7,056	45	25,049
1995	14,012	3,114	7,016	39	24,181
1996	13,405	3,074	7,039	40	23,558
1997-2020	14,645	32,255	91,591	940	139,431
TOTALS	$ 164,762	$ 140,984	$ 173,581	$ 47,632	$ 526,959

A summary of changes in long-term notes/bonds payable reported in the General Long-Term Obligations Account Group and Higher Education Funds for the fiscal year ending June 30, 1986 follows (in thousands):

	Balance July 1, 1985	Issued	Retired	Balance June 30, 1986
General Obligation Debt	$ 100,835	$ 11,650	$ 5,671	$ 106,814
Special Revenue Bonds	75,143	28,365	10,599	92,909
Higher Ed Revenue Bonds	54,851	73,619	51,325	77,145
Nonbonded Debt	41,255	43,725	39,745	45,235
TOTALS	$ 272,084	$ 157,359	$ 107,340	$ 322,103

Refunded Bonds

The State of Montana and the Board of Regents of Higher Education have issued general obligation and revenue refunding bonds, respectively, to refund obligations with respect to certain bond issues already outstanding. The proceeds of the refunding issues have been placed in escrow accounts and invested in U.S. Treasury Obligations that, together with interest earned thereon, will be sufficient for future payment of principal and interest on the refunded issues. The schedule below lists the principal requirements to maturity on all refunded bond issues (in thousands):

SCHEDULE OF PRINCIPAL REQUIREMENTS TO MATURITY - REFUNDED ISSUES

Fiscal Year Ending June 30	General Oblig. Bonds	DNRC Revenue Bonds	Board of Regents Revenue Bonds				Total Principal
			U of M	MSU	EMC	TECH	
1987	$ 3,365	$ 205	$ 715	$ 595	$ 131	$ 43	$ 5,054
1988	3,585	220	750	705	141	43	5,444
1989	3,600	235	780	559	141	48	5,363
1990	3,710	255	800	849	151	53	5,818
1991	3,745	275	695	985	152	54	5,906
1992	3,655	300	735	989	157	59	5,895
1993	3,805	325	770	978	162	64	6,104
1994	3,995	350	805	1,045	168	64	6,427
1995	3,625	385	645	1,143	173	70	6,041
1996	4,165	420	875	1,117	183	75	6,835
1997 +	15,505	7,325	4,799	4,882	1,319	405	34,235
TOTALS	$ 52,755	$ 10,295	$ 12,369	$ 13,847	$ 2,878	$ 978	$ 93,122

Additionally, the Board of Regents of Higher Education have issued revenue refunding bonds to refund obligations which had been issued to refund outstanding bond issues. The schedule below lists the principal requirements to maturity on all these "refunded/refunded" bond issues (in thousands):

SCHEDULE OF PRINCIPAL REQUIREMENTS TO MATURITY - REFUNDED/REFUNDED ISSUES

Fiscal Year Ending June 30	U of M	MSU	EMC	TECH	Total Principal
1987	$ 210	$ 320	$ 160	$ 80	$ 770
1988	235	345	170	85	835
1989	255	370	185	95	905
1990	265	400	200	100	965
1991	295	435	220	110	1,060
1992	325	470	240	120	1,155
1993	360	515	260	130	1,265
1994	385	560	285	140	1,370
1995	425	615	310	155	1,505
1996	465	675	340	170	1,650
1997 +	5,185	23,020	4,860	5,885	38,950
TOTALS	$ 8,405	$ 27,725	$ 7,230	$ 7,070	$ 50,430

Enterprise Funds

- Board of Housing Revenue Bonds

The Montana Board of Housing (Housing Authority) is authorized to have an aggregate of $975 million of housing mortgage bonds outstanding. The bonds are payable from mortgage loan repayments and investment earnings. All bonds issued to date are secured by federally insured or guaranteed mortgages. Statutory provisions exist wherein the Governor may include in the executive budget submitted to the Legislature the sum required to fund possible future deficiencies in required reserves, however, the Legislature is not legally required to appropriate such deficiencies: None of the outstanding bonds were issued under these provisions. The Board issued $200 million in bonds during fiscal year 1986. Bonds (net) outstanding at June 30, 1986 were as follows (in thousands):

Single-Family Mortgage Bonds	$ 671,060
Multi-Family Mortgage Bonds	14,639
Total	$ 685,699

Amounts reported in the Enterprise Fund for the Board of Housing were reproduced from their most recent audit report, which received an unqualified opinion dated August 19, 1986. The auditors, Anderson Zurmuehlen & Co., P.C. may be contacted at P.O. Box 1147, Helena, MT 59624 or at (406) 442-3540 for more information.

- Montana Economic Development Board (MEDB)

This financing authority is directed by a seven member board and operations are administered by the Department of Commerce. MEDB assists Montana's small businesses and local governments in obtaining long-term, fixed rate financing through private Montana lending institutions. Outstanding MEDB obligations are as follows (in thousands):

ISSUE	Year Issued	Year Matures	Amount Issued	Balance June 30, 1986
Industrial Development Revenue Bonds (Pooled Loan Program) Series 1984 A - 1984 G (1)	1984	2006	$ 3,650	$ 3,630
Industrial Development Revenue Bonds (Pooled Loan Program) Series 1985 A - 1985 L(1)	1985	2007	4,925	4,260
Municipal Finance Consolidation Act Bonds (Cash Anticipation Financing Program) Series 1985 (2)	1985	1986	18,575	18,575
TOTALS			$ 27,150	$ 26,465
Deduct: Net Unamortized Issuance Costs/Discounts/Premiums				(482)
Total MEDB Bonds Payable (Net)				$ 25,983

(1) The bonds, which may not aggregate more than $75 million, are limited obligations of the MEDB payable solely from and secured by certain revenues and assets of the MEDB pledged pursuant to an Indenture of Trust. The bonds do not constitute a debt, liability or legal obligation of the State of Montana. However, if the balance in the MEDB's "Capital Reserve Account A" falls below the indenture requirement, the Governor is required to request the Legislature to appropriate funds to restore the balance. The Legislature may, but is not legally obligated to, appropriate funds to correct any such deficiency. Principal payments (accrued interest to be added) are due each March 15. Series 1985 J ($665,000) was recalled on March 15, 1986 without a gain (loss) on extinguishment.

(2) These bonds were issued to provide funds for the MEDB to finance the purchase of tax or revenue anticipation notes (TRANS) of participating local government units. The bonds are due September 27, 1986 and are not a debt or liability of the State of Montana. The bonds are limited obligations of the MEDB payable solely from repayments of principal and interest on local government TRANS, proceeds of a loan made to MEDB by the Montana State Board of Investments and investment income.

No-Commitment Debt

Information is presented below for financing authorities participating in debt issues which are not recorded in the accompanying financial statements.

- Montana Health Facility Authority (MHFA)

In February 1985, the MHFA issued $18 million of Hospital Facilities Variable Rate Revenue Bonds (Billings Deaconess Hospital Project) - Series 1985. The bonds were issued to (1) reimburse Billings Deaconess for remodeling existing facilities; (2) finance capital equipment purchases; (3) refinance outstanding indebtedness of $752,000; and (4) pay certain bond issuance costs. These bonds are special obligations of the MHFA payable solely out of loan repayments received from Billings Deaconess. The bonds do not constitute a debt, liability or obligation of the State of Montana. Principal payments (accrued interest to be added) are due each January 1. Principal payments range from $100 thousand in 1989 to $2.3 million in 2015.

In June 1985, the MHFA issued $440 thousand ($427,522 balance at June 30, 1986) of hospital facility revenue notes (West Mont Home Health Services, Inc.). Variable monthly payments began July 1, 1985, with the final payment due June 1, 2005. The notes do not constitute a debt, liability or obligation of the State of Montana.

The MHFA issued $66.9 million health care revenue bonds (due in total on December 1, 2015) in December, 1985. These bonds were issued for the purpose of enabling the MHFA to make loans to private nonprofit hospitals and other private nonprofit health institutions and public health institutions located in the State of Montana in order to finance, refinance or provide reimbursement to the health institutions for the cost of acquisition or construction of equipment and capital improvements and to pay the cost of refunding a $23.5 million issue (due in total September 1, 1991) of MHFA's Variable Rate Revenue Bonds. The bonds are payable solely from loan repayments to be made by the health institutions pursuant to loan agreements, from the funds created by the indenture and from investment earnings on those funds. The bonds do not constitute a debt, liability or obligation of the State of Montana.

- Montana Agricultural Loan Authority (MALA)

The MALA is authorized to issue bonds to finance projects for beginning farmers within the State if it appears, after a properly noticed public hearing, that the project is in the public interest of the State. These non-recourse, industrial development revenue bonds do not constitute a debt, liability or obligation of the State of Montana. Outstanding bonds are as follows: (1) Linger Project ($112,200); and (2) Jorgensen Project ($79,959; issued $81,600).

- Montana Economic Development Board (MEDB)

The MEDB issued bonds on behalf of four borrowers under the Stand-alone Program during fiscal year 1986. The bonds issued under this program do not constitute a debt or liability to the MEDB or the State of Montana. Assets and revenues of the four borrowers are pledged to repay the bonds. Accordingly, the Stand-alone bond issues are not recorded in the State's financial statements.

The following Stand-alone Industrial Revenue bonds were issued (in thousands):

Butler Creek	$ 350
Mt. Progress Limited	5,000
Winter Sports	3,200
Farmers Union (CENEX)	3,925
	$ 12,475

5. LEASES/INSTALLMENT PURCHASES

The State has entered into various capital and operating leases for land, buildings and equipment. Lease contracts are required by law to contain a clause indicating continuation of the lease is subject to funding by the Legislature. It is expected that in the normal course of operations most of these leases will be replaced by similar leases. Changes in capitalized leases/installment purchases follow (in thousands):

	Balance July 1, 1985	Additions (Deductions)	Balance June 30, 1986
General Long-Term Obligations	$ 964	$ (233)[1]	$ 731
Proprietary Fund Types			
Enterprise Fund	$ -	$ 7	$ 7
Internal Service Fund	12,283	319	12,602
Total	$ 12,283	$ 326	$ 12,609
Higher Education Funds	$ 219	$ 926	$ 1,145
Total Capitalized Leases/ Installment Purchases	$ 13,466	$ 1,019	$ 14,485

[1] This amount consists of $233,000 of additions and $466,000 of deductions.

Future minimum lease payments under capital leases/installment purchases are as follows (in thousands):

Fiscal Year Ending June 30	General Long-Term Obligations	Proprietary Fund Types		Higher Education Funds	Totals
		Enterprise	Internal Service		
1987	$ 291	$ 2	$ 3,097	$ 482	$ 3,872
1988	691	2	2,871	333	3,897
1989	38	2	2,546	201	2,787
1990	27	2	1,769	137	1,935
1991	4	1	1,722	120	1,847
After 1991	-	-	5,084	292	5,376
Total minimum payments	$ 1,051	$ 9	$ 17,089	$ 1,565	$ 19,714
Less: Interest	(320)	(2)	(4,487)	(420)	(5,229)
Present value of minimum payments	$ 731	$ 7	$ 12,602	$ 1,145	$ 14,485

Operating Leases

Future rental payments under operating leases are as follows (in thousands):

Fiscal Year Ending June 30	Amount
1987	$ 2,012
1988	1,808
1989	1,172
1990	613
1991	486
After 1991	1,323
Total future rental payments	$ 7,414

6. FIXED ASSETS

Changes in fixed asset (long-lived assets for Higher Education Funds) balances for the fiscal year ended June 30, 1986 follow (in thousands):

	Balance July 1, 1985	Additions/ Transfers	Deletions/ Transfers	Balance June 30, 1986
PROPRIETARY FUNDS				
Land	$ 925	$ 1	$ -	$ 926
Buildings/Improvements	3,252	91	-	3,343
Equipment	63,374	11,130	4,918	69,586
Other Fixed Assets	1,481	10	1,481	10
Constr. in Progress	990	1,487	2,342	135
Subtotal/Total	70,022	$ 12,719	$ 8,741	74,000
Less Accumulated Depreciation	(27,747)			(28,979)
Total	$ 42,275			$ 45,021
NONEXPENDABLE TRUST FUNDS				
Land	$ 49,399	$ -	$ -	$ 49,399
PENSION TRUST FUNDS				
Land	$ 60	$ -	$ -	$ 60
Buildings/Improvements	342	-	1	341
Equipment	129	31	8	152
Subtotal/Total	531	$ 31	$ 9	553
Less Accumulated Depreciation	(176)			(192)
Total	$ 355			$ 361
GENERAL FIXED ASSETS ACCOUNT GROUP*				
Land	$ 35,599	$ 2,793	$ 36	$ 38,356
Buildings/Improvements	143,225	14,879	1,452	156,652
Equipment	52,021	10,003	2,806	59,218
Other Fixed Assets	966	934	823	1,077
Constr. in Progress	19,725	9,084	10,992	17,817
Total	$ 251,536	$ 37,693	$ 16,109	$ 273,120
HIGHER EDUCATION FUNDS*				
Land	$ 8,687	$ 191	$ 2	$ 8,876
Buildings/Improvements	205,040	30,179	1,834	233,385
Equipment	87,614	8,812	16,435	79,991
Other Fixed Assets	27,247	15,080	677	41,650
Constr. in Progress	12,552	10,691	9,019	14,224
Intangible Assets	114	138	-	252
Total	$ 341,254	$ 65,091	$ 27,967	$ 378,378

* Montana does not include purchased and donated art collections held by the Montana Historical Society and the University of Montana on the balance sheet. For insurance purposes, the Historical Society collections have been valued at $29,994,569. University of Montana officials estimate that its collection is valued between one and ten million dollars.

7. COMMITMENTS

Construction Commitments

At June 30, 1986, the State had $175.1 million of remaining construction authorization; major long-term commitments under unperformed construction contracts were $121.8 million. As of June 30, 1986, the State's material projects related to highway and building construction were composed of the following (in thousands):

	Project Authorization	Expended through June 30, 1986	Remaining Construction Authorization
Department of Highways			
Billings District	$ 13,901	$ 8,986	$ 4,915
Butte District	66,986	49,212	17,774
Missoula District	14,329	4,464	9,865
Great Falls District	6,281	2,735	3,546
Glendive District	23,929	9,714	14,215
*Miscellaneous Projects	135,179	77,534	57,645
Total Highways	260,605	152,645	107,960
Department of Administration - Architecture and Engineering Division			
Prison Expansion	$ 17,152	$ 15,659	$ 1,493
Fine Arts Facility - U of M	8,600	8,502	98
DNRC Building	6,958	6,724	234
State Capital Building Renovation	6,750	1,666	5,084
Dept. of Justice/State Library Bldg.	6,450	6,305	145
MT State Hospital Forensic Building	6,005	591	5,414
Museum of the Rockies - MSU	6,000	280	5,720
Controlled Environment Facility - MSU	5,302	4,167	1,135
Engineering/Classroom Lab - MT Tech	5,500	4,293	1,207
*Miscellaneous Projects	117,298	70,596	46,702
Total Buildings	186,015	118,783	67,232
Total Construction Commitments	$ 446,620	$ 271,428	$ 175,192

* Less than $5 million per project

Proprietary Fund Types' Commitments

Fixed budgets are legally adopted in Enterprise and Internal Service Funds. Current year appropriations may be committed for goods/services that are not received as of fiscal year-end. These executory commitments are included in unreserved retained earnings in the accompanying financial statements as follows (in thousands):

	Amount
Enterprise Funds	
Liquor Stores	$ 17
Employees Group Benefits	6
Economic Development Board	2
Health Facilities Authority	4
Historical Society Magazine	1
Total Enterprise Funds' Commitments	$ 30
Internal Service Funds	
Motor Pool	$ 41
Central Data Processing	440
Communications	5
Buildings and Grounds	24
Justice Legal	12
FWP Equipment	277
FWP Warehouse Inventory	7
Highways Photo and Data Processing	11
Highway Equipment	1,334
Commerce Central Services	3
Investment Division	52
Total Internal Service Funds' Commitments	$ 2,206
Total Proprietary Fund Types' Commitments	$ 2,236

Additionally, $72 thousand of unreserved retained earnings in the Internal Service Fund - Admin. Central Stores - is committed to State surplus property inventory which is held for resale.

8. RETIREMENT SYSTEMS

The State of Montana maintains nine retirement systems. All the systems provide basic retirement benefits, including regular and disability retirement and death benefits. The Public Employees' Retirement System (PERS) and Teachers' Retirement System (TRS) also provide early retirement. All systems, except the Volunteer Firefighters' of Unincorporated Areas Retirement System, also provide for termination payments.

The Public Employees' Retirement Division administers all the retirement systems except TRS. Members of all systems become vested after 5 years of membership. A brief description of each pension plan, contribution rates and minimum retirement criteria follows.

PERS - This mandatory retirement system provides retirement services to substantially all public employees. Based on gross wages, contributions are 6% for employees and 6.417% for employers. Benefit eligibility is age 60 with at least 5 years of service; age 65 regardless of service; or 30 years of service regardless of age. Actuarially reduced benefits may be taken with 25 years of service or at age 50 with at least 5 years of service.

TRS - A mandatory system which provides retirement services to all persons employed as teachers or professional staff of any public elementary or secondary school, vocational-technical centers, or unit of the university system. Based on gross salaries, contribution rates for the employee and employer are 7.044% and 7.428%, respectively. Eligibility is met with a minimum of 25 years of service or age 60.

Judges' Retirement System (JRS) - Provides retirement services for all persons employed as a judge of a district court or justice of the Supreme Court. Contribution rate is 7% for the member; the State contributes 6% of active judges' salaries, district court fees collected equal to 31% of salaries payable to district court judges and Supreme Court justices and 25% of Supreme Court fees. Minimum service is 5 years and minimum age is 65 for benefit eligibility.

Highway Patrolmen's Retirement System (HPRS) - Established for all members of the Montana Highway Patrol, including supervisory personnel. Member contributions and State contributions are 7.59% of salaries and 26.75% of active highway patrolmen's salaries, respectively. There is no minimum age but minimum service is 20 years for benefit eligibility.

Sheriffs' Retirement System (SRS) - Covers all persons employed as sheriffs. The member contribution is 7% of salary; county contribution is 7.67% of salary; and the State contributes administrative expenses. Minimum years of service are 25 and minimum age is 55 for benefit eligibility.

Game Wardens' Retirement System (GWRS) - Established for all persons employed as a game warden, including all supervisory personnel. Contribution from the member is 7.9% of salary (optional after 25 years of membership). The State contribution is 7.15% of active game wardens' salaries, plus all collections from fines and forfeited bonds. Minimum age is 55 and minimum years of service are 20 for benefit eligibility.

Municipal Police Officers' Retirement System (MPORS) - This system covers all municipal police officers. Member contribution is 6% of salary for members employed prior to July 1, 1979 and 7.5% of salary for members employed on or after July 1, 1979. City contributions are 13.02% of active policemen's salaries. The State contributions are 15.06% of active policemen's salaries. The State's contribution is funded from the premium tax on motor vehicle property and casualty insurance policies. Minimum years of service are 20 for benefit eligibility. There is no minimum age if employed on or before July 1, 1975; age 50 if employed after that date.

Volunteer Firefighters' Retirement System (VFRS) - Established for all volunteer firefighters. State contribution is 5% of fire insurance premium taxes collected. This retirement system is required by law to be fully funded and cannot pay benefits unless money is available.

Unified Firefighters' Retirement System (UFRS) - Established for fully-paid firefighters. Member contribution is 6% of base compensation and city contributions are 13.02% of total annual compensation. The State contribution is 22.98% of the total annual compensation for all firemen and is paid out of the premium tax on insurance risks. Minimum age is 50 and minimum service is 10 years for benefit eligibility.

All of the retirement systems, except VFRS, are funded on an "entry-age, normal cost" basis. This method establishes a "normal cost" for each member as well as an unfunded accrued liability. The annual normal cost is the level of percentage of annual salary required to fund the benefits, assuming that percentage has been contributed since the member's entry into the system. To maintain the fund on an actuarially sound basis, the rate of contributions should fund the normal cost in addition to amortizing the unfunded liability over a period of 40 years. The unfunded accrued liability represents the excess of the present value of total liabilities over the present assets of the fund and the present value of expected future contributions for the normal cost.

Actuarial valuations are performed every two years. The last completed valuation for TRS was for the period ending June 30, 1985. The other systems' valuations (except VFRS) were for the period ended June 30, 1986. Hendrickson & Associates prepared the actuary reports for the eight retirement systems. These reports may be referenced for more in-depth information.

The following table discloses various information by plan (dollar amounts expressed in thousands) as of June 30, 1986:

	PERS	TRS	JRS	HPRS	SRS	GWRS	MPORS	VFRS	UFRS
Schedule A - Membership									
Employee groups covered -									
Number of active members	27,423	15,951	47	210	595	87	445	N/A	457
Number of inactive members	10,060	3,057	1	1	13	1	5	N/A	1
Number of retired members	8,410	5,766	21	145	59	44	369	395	357
Total number of participants	45,893	24,774	69	356	667	132	819	395	815
Schedule B - Expense/Contributions									
Pension plan expense	$ 574	$ 375	$ 2	$ 7	$ 12	$ 3	$ 16	$ 6	$ 16
Employee contributions	$ 26,402	$ 27,603	$ 127	$ 488	$ 823	$ 177	$ 632	$ N/A	$ 538
Employer contributions	$ 28,784	$ 27,377	$ 774	$ 881	$ 892	$ 380	$ 3,540	$ 506	$ 3,998
Schedule C - Present Value of Plan Benefits									
Actuarial present value of vested accumulated plan benefits (6-30-86)*	$662,636	$762,855	$ 10,627	$ 29,091	$ 10,281	$ 8,438	$ 47,324	$ N/A	$ 55,012
Actuarial present value of nonvested accumulated plan benefits (6-30-86)*	2,816	19,924	1,446	0	0	0	587	N/A	347
Total actuarial present value of accumulated plan benefits (6-30-86)*	$665,452	$782,779	$ 12,073	$ 29,091	$ 10,281	$ 8,438	$ 47,911	$ N/A	$ 55,359
Schedule D - Other Information									
Net assets available for benefits	$559,012	$443,350	$ 7,895	$ 15,866	$ 19,481	$ 7,091	$ 22,355	$ 4,800	$ 20,555
Unfunded liability (6-30-86)*	$275,203	$559,132	$ 5,062	$ 20,900	$ 0	$ 3,047	$ 34,759	$ **	$ 49,127
Market value of investments	$618,017	$490,416	$ 8,415	$ 16,667	$ 21,053	$ 7,522	$ 21,372	$ 4,463	$ 18,494
Assumed rate of return used by actuary *	8%	8%	8%	8%	8%	8%	8%	N/A	8%
Assumed inflationary increase for future salaries ***	4%	6.5%	4%	4%	4%	4%	4%	N/A	4%

N/A - Information not applicable.

* TRS dollar amounts are from the FY85 actuary report.

** The VFRS has no unfunded liability because it is required by law to be fully funded and cannot pay benefits unless money is available. VFRS is a noncontributory pension system.

*** TRS percentage are from the FY85 actuary report. A select rate of 4% was assumed for each of the next five years for the other retirement systems.

9. DEFERRED COMPENSATION PLAN

Since 1976, the State of Montana has offered a deferred compensation plan which allows employees to defer State and federal income taxes on a portion of their salaries until future years. All employees of the State are eligible to participate. The plan operates under the sanction of both State and federal laws (Section 457 of the Internal Revenue Code). The deferred compensation is not available to the employees until termination, retirement, death or unforeseeable emergency.

Participants' rights created under the plan are equivalent to those of general creditors of the State and only in an amount equal to the fair market value of the deferred account maintained with respect to the participant. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts and all income attributable to those amounts, property or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the State (without being restricted to the provisions of benefits under the plan), subject only to the claims of the State's general creditors. In the past, the plan assets have been used for no purpose other than to pay benefits. In addition, the State believes that it is unlikely it will use the assets to satisfy the claims of general creditors in the future. State statute requires there shall be no financial liability of the State or a political subdivision for any investment losses incurred by any eligible deferred compensation plan. However, the State does have the duty of care that would be required of an ordinary prudent investor. As of June 30, 1986, the net assets of the plan available for benefits totalled $32.913 million.

The following is a summary of the increases and decreases of this Employees Deferred Compensation Agency Fund for the fiscal year ended June 30, 1986 (in thousands):

Fund Assets (at market value), July 1, 1985	$ 25,744
Deferrals of compensation	5,620
Earnings and adjustment to market value	3,732
Payments to eligible participants and beneficiaries	(2,061)
Administrative expenses	(122)
Fund Assets (at market value), June 30, 1986	$ 32,913

10. CONTINGENCIES

The State is a defendant in numerous lawsuits involving tort claims which are either covered under the State's self-insurance plan or by private insurance. The State has a self-insurance plan to provide for payment of liabilities which may be incurred. Any noncovered judgments are referred to the Legislature for consideration in establishing the next biennial budget.

The State is the principal defendant in several lawsuits challenging the imposition of oil, gas and coal severance taxes on Indian reservations and related lands. In 1978, the Crow Tribe of Indians commenced a suit in federal district court for a declaratory judgment that the imposition of the Coal Severance Tax on coal beneficially owned by the Tribe is invalid. Although the district court dismissed the complaint, the Ninth Circuit Court of Appeals reversed the district court's decision in July, 1981, and the State's petition for certiorari to the United States Supreme Court was denied on October 12, 1982. On November 19, 1982, the Crow Tribe amended its complaint to seek a refund with interest of all coal severance and gross proceeds taxes paid, an amount in excess of $90 million. On January 6, 1983, the district court granted the Crow Tribe's motion to escrow tax payments pending the outcome of litigation. The State considers that it has meritorious defenses to the claims and intends to vigorously defend the action. The district court entered judgment in the State's favor on September 11, 1985, and an appeal has been effected to the Ninth Circuit by the United States and the Crow Tribe. If the Tribe should eventually prevail the Legislature could, upon a three-fourths vote of the members of each house, appropriate funds from the coal severance tax trust fund to pay any judgment in favor of the Tribe. The State believes there will be sufficient funds in said trust fund to pay any such judgment.

The Blackfeet Tribe of Indians sued in 1978 for a declaratory judgment that all taxes on production of oil and gas beneficially owned by the Tribe are invalid. The federal district court dismissed the complaint and the Tribe appealed to the Ninth Circuit Court of Appeals. In December, 1982, the court of appeals upheld the judgment of the district court. A rehearing was granted and heard before an eleven member panel in November, 1983. The district court judgment was reversed. On June 3, 1985, the U.S. Supreme Court affirmed the Ninth Circuit. Montana may not tax Indian Tribal royalty interests under oil and gas leases issued pursuant to the Indian Mineral Leasing Act of 1938. Various oil and gas producers have paid taxes amounting to approximately $8 million plus interest under protest during the pendency of the case. Also, producers may file amended returns back to 1980 to recover other taxes. The case is now pending before the district court for trial on the merits.

The State of Montana and its Board of Public Education are defendants in a suit that challenges the present level and system of funding Montana's public elementary and secondary schools. Plaintiffs charge that the State's school funding system is an unconstitutional denial of equal protection and that the current level of funding fails to provide a "basic system of free quality" education, as is required by the State constitution. The plaintiffs seek a declaratory judgment and injunctive or other appropriate relief. The current sources of school funding are various earmarked State revenues as well as revenues from a statewide property tax. Local school boards are permitted to authorize certain limited levies over and above the basic statewide levy without voter approval. In addition, local boards may propose unlimited levies to the voters of their school districts. The State believes that the constitutional challenge is without merit and is actively defending the challenge along with various interested parties who have intervened. The suit was filed in April, 1985. It was originally scheduled for trial in fall 1986, but has been rescheduled for May 11, 1987. It is possible that the Legislature may use the time allowed by the new trial date as an opportunity to reevaluate the alleged funding inequities raised in the complaint. A special legislative subcommittee was established in January, 1986, to study the lawsuit. Should the plaintiffs prevail, the State could be required to fund the school program by an additional $100 million per year of the biennium, in addition to the current allotment for the program, which is approximately $490 million.

The Montana Supreme Court has recently ruled against the State Compensation Insurance Fund Bureau of the Division of Workers' Compensation in a suit questioning the constitutionality of a law allowing discounting of certain lump-sum workers' compensation benefits. If certain conditions are met, injured workers may convert biweekly workers' compensation benefits into a single lump-sum payment. A statute was amended effective April 15, 1985 requiring that lump-sum payments of permanent total benefits be discounted by 7 percent, compounded annually. The amended statute was intended to apply to all cases not yet settled or awarded a lump-sum of benefits by court order. The Supreme Court's ruling states that discounting of lump-sum payments can only be made for cases in which the injury occurred after the effective date of the amendment, April 15, 1985. The actuary retained by the State Fund estimates that the Supreme Court ruling could result in additional costs to the State Compensation Insurance Fund of $20 to $30 million.

The State receives federal grants and entitlements for specific purposes which are subject to review and audit by the grantor agencies. Any disallowances resulting from these audits would become a liability of the State. As of June 30, 1986, the State estimates that no material liabilities will result from such audits.

Gain Contingencies

Certain natural resource and corporation tax assessments are not reported on the State's financial statements because they are being protested either administratively or in a court of law. As of June 30, 1986, the following assessments were outstanding (in thousands):

Taxes	General Fund	Special Revenue	Debt Service	Nonexpendable Trust
Corporation	$ 6,815	$ 2,662	$ 1,171	$ -
Coal Severance	5,875	3,092	309	15,461
Conservation	-	1	-	-
Oil Severance	21	10	-	-
Gas Severance	2,989	-	-	-
Resource Indemnity	-	-	-	850
Total	$ 15,700	$ 5,765	$ 1,480	$ 16,311

Collectibility of these contingencies is dependent upon the decisions of the court or other authorities.

11. SELF-INSURANCE FUNDS

The State of Montana maintains several self-insurance plans. A brief description of each plan and the method of recording transactions are discussed below.

Group Employee Comprehensive Medical and Dental Plan

This plan is fully self-insured, with the State assuming all the risk for claims incurred by employees of the State, elected officials, retirees and their dependents. There is no third party coverage. Blue Cross and Blue Shield of Montana administers the plan under contract.

All transactions for this plan are recorded in the Employees Group Benefits Enterprise Fund. Premiums are collected through payroll deductions, deductions through the Public Employees' Retirement System and self-payment and are recorded as revenue.

In July 1986, incurred, but not reported, claims were estimated by Marvin E. Segal Company, a consulting actuarial firm, to be $3.179 million. A liability has been recorded in the accompanying financial statements for these estimated claims.

Property Insurance Plans

This self-insurance plan provides coverage for general liability, automobile liability, automobile physical damage, retail liquor stores inventory and inland marine.

The State self-insures the deductible for property insurance, paying the first $5 million per occurrence. The third party pays the next $50 million per occurrence.

All transactions for this plan are recorded in the Admin. Insurance Internal Service Fund. Premiums are collected from all State agencies including Higher Education Units and are recorded as revenue.

The most recent actuary report, prepared by Coopers & Lybrand, issued for the accident period 7/1/77 - 6/30/86 estimated that the present fund balance reserve is insufficient by $38 million.

Montana University System Group Benefits Plan

The plan authorized by the Regents is best described by the term minimum premium and is a modified form of self-insurance. Under minimum premium the University System assumes the liability for claims up to the expected annual amount. If claims exceed the predicted amount the insurance company (United of Omaha) is liable for excess claims. Each month the University System sends United of Omaha approximately 10% of the premium due (hence the term minimum premium). The balance (90%) is held and invested until needed to pay claims. All transactions for this plan are recorded in the Higher Education Auxiliary Fund. The advantage of a minimum premium plan is that interest is earned on reserves while protecting the plan if claims exceed expected amounts. The incurred but not reported claims are estimated to be $1.157 million. A liability has been recorded in the accompanying financial statements for these estimated claims.

12. UNEMPLOYMENT INSURANCE COMPENSATION

Unemployment compensation benefits are funded in the State through unemployment insurance taxes levied against employers. The funds collected from this tax are deposited in the Unemployment Insurance Clearing Account and transferred daily to a trust fund in Washington, D.C. The United States Secretary of the Treasury is the trustee of this fund. The moneys are then transferred back to the State's Benefit Payment Account for disbursement as unemployment insurance benefits. Transfers are made weekly at the request of the Montana Department of Labor and Industry.

Prior to 1986, the State's Unemployment Insurance trust fund was insolvent. In order to fulfill benefit payments, the State borrowed from the federal trust fund. The 1985 Legislature passed measures which increased employers' taxes and reduced the amount of benefits paid. These were adopted from the Unemployment Insurance Advisory Council recommendations. As of June 30, 1986, all federal loans had been retired and the State's trust fund had a fund balance of $23.4 million. The State does not anticipate borrowing from the federal trust fund during the coming biennium.

13. SEGMENT INFORMATION

Selected financial information concerning all enterprise operations for the fiscal year ended June 30, 1986 is as follows (in thousands):

	Liquor Stores	Housing Authority	Employees Group Benefits	Economic Development Board	Health Facilities Authority	Beginning Farm Loans	Other* Enterprise	Total Enterprise
Operating Revenues	$ 47,533	$ 62,155	$ 19,431	$ 1,971	$ 224	$ -	$ 473	$ 131,787
Depreciation	110	5	1	-	1	-	46	163
Operating Transfers In (Out)	(14,071)	-	-	189	-	-	51	(13,831)
Operating Income (Loss)	14,297	5,114	753	(167)	108	(44)	(95)	19,966
Property, Plant and Equipment Additions (Net)	20	130	1	8	11	-	392	562
Net Working Capital	6,492	1,186	10,425	1,204	111	(173)	194	19,439
Total Assets	10,081	733,952	19,017	27,006	134	25	927	791,142
Bonds Payable	-	685,699	-	25,983	-	-	-	711,682
Compensated Absences	292	34	8	15	6	5	17	377
Contributed Capital	1,915	-	-	-	-	-	399	2,314
Total Equity	7,870	40,115	15,270	(35)	122	(177)	764	63,929

1. The Liquor Division of the Department of Revenue administers the State liquor operations (Liquor Stores). In addition to selling liquor and wines, the division issues licenses and permits to wholesalers and retailers and collects taxes.

2. The Housing Authority provides financing to qualified individuals to purchase residential housing. In order to do so, the Housing Authority issues bonds and carries federally insured mortgage notes.

3. The Employees Group Benefits fund receives non-higher education unit employee withholdings and State contributions to the medical/dental self-insurance plan.

4. The Economic Development Board assists Montana's small businesses and local governments in obtaining long-term, fixed-rate financing through private Montana lending institutions.

5. The Health Facilities Authority attempts to contain future health care costs through reducing debt financing of capital equipment and buildings for Montana's non-profit health care institutions.

6. The Beginning Farm Loan program provides loans through the Montana Agricultural Loan Authority to qualifying beginning farmers/ranchers. Outstanding bonds sold to date constitute no commitment debt (see Note 4).

* Other Enterprise is composed of the following funds (listed by administering agency):

Department of Agriculture
Leaf-Cutting Bee

Department of Commerce
West Yellowstone Airport

Fire Services Training School
Fire Services Training

Fish, Wildlife and Parks
Snowgroomer Rental

Montana Historical Society
Historical Society Merchandise
Historical Society Magazine
Historical Society Press

14. FUND DEFICITS

The following funds have a deficit fund equity as of June 30, 1986 (in thousands):

	Amount
Enterprise Fund Type	
Historical Society Magazine	$ (72)
Beginning Farm Loans (1)	(177)
Economic Development Board	(35)
Internal Service Fund Type	
Administration - Legal	(3)
Higher Education Fund Type	
General Operating Subfund (2)	(10,628)

(1) The most recent audit report released by the Office of the Legislative Auditor issued a qualified opinion for this operation indicating it may be unable to continue in existence.

(2) This deficit is the result of recording compensated absences.

15. NONEXPENDABLE TRUST FUNDS' INVESTMENT INCOME

Investments are recorded in Nonexpendable Trust Funds on the full accrual basis. However, certain investment earnings attributable to these trusts are recorded elsewhere, as summarized below:

Nonexpendable Trust Fund	Reporting of Investment Earnings
Permanent Coal Tax	A. Permanent Trust Accounting Entity Fifteen percent of investment earnings remain in the Permanent Coal Tax Trust as additional trust corpus. The remaining 85% of the investment earnings are reported in the General Fund. B. In-State Investment Accounting Entity Fifteen percent of investment earnings are reported in the Coal Tax Bonds Debt Service Fund for debt service related to bonds of Department of Natural Resources and Conservation. The remaining 85% of investment earnings are reported in the General Fund.
Education	Investment earnings attributable to this trust are recorded in the State Special Revenue Fund: 77.5% goes to the Office of Public Instruction for public schools (67.5%) and vocational-technical centers (10%) and the remaining 22.5% goes to the Board of Regents for distribution to higher education institutions.
Resource Indemnity	Investment earnings are reported in the State Special Revenue Fund: 64% are distributed to four agencies for various projects - Environmental Quality Council, Department of State Lands, Department of Natural Resources and Conservation and Department of Labor and Industry; 30% subsidizes water development projects of the Department of Natural Resources and Conservation, and 6% funds implementation of the Hazardous Waste Act, administered by the Department of Health and Environmental Sciences.
Parks, Cultural and Aesthetic Projects	Investment earnings are reported in the State Special Revenue Fund: two-thirds to the Department of Fish, Wildlife and Parks for the acquisition and maintenance of parks and one-third to the Montana Arts Council for cultural and aesthetic projects.
Land Grants	Ninety-four percent of investment earnings are reported in the State Special Revenue Fund for the Office of Public Instruction to distribute support of public schools. Five percent is distributed to Higher Education Units (Current and Plant Funds); and one percent to the Department of Institutions (General Fund and Interest and Income Special Revenue Fund).
Real Property	All investment earnings are reported in the State Special Revenue Fund for use by the Department of Fish, Wildlife and Parks to operate, maintain and develop its real property.
Thomas Teakle	Investment earnings are reported in the Private Donations Special Revenue Fund for library acquisitions of the Montana Historical Society.
Burlington Northern Geraldine (BNG) Settlement	One hundred percent of the investment earnings are reported in the BNG Settlement Expendable Trust Fund.

16. SCHOOL FOUNDATION PROGRAM

Montana's plan for elementary and high school funding is known as the "foundation program". Three primary sources finance the foundation program: (1) a mandatory county property tax levy of 28 mills for elementary and 17 mills for high school districts; (2) State equalization aid; and (3) a State General Fund appropriation, if necessary. Only the State equalization aid and General Fund appropriation are reflected in the accompanying financial statements. For fiscal year 1986, county collections from the mandatory property tax levies totalled approximately $105 million.

17. STATE COMPENSATION INSURANCE

The payment of benefits to injured workers is funded through employer contributions to the State operated workers' compensation insurance system. The most recent actuary report, issued for the fiscal year ending June 30, 1986, showed a large underwriting loss from operations over the prior year. At June 30, 1986, actuarial liabilities exceeded assets by $81,021,967. There are no funds presently available as a contingency reserve.

In the actuary's opinion, future premiums will need to be drawn upon to satisfy the existing liabilities of the Fund and the continued financial soundness of the Fund is contingent on the realization of those future premiums.

18. SUBSEQUENT EVENTS

- On July 15, 1986, the MEDB issued $27,480,000 in Montana Cash Anticipation Financing Bonds.
- On August 15, 1986, the Board of Regents issued $34,835,000 of Facilities Refunding Revenue Bonds (Series A 1986) for Montana State University. This issue refunded the $35,640,000 Series A-B 1985 issues outstanding at June 30, 1986.
- Effective December 31, 1986, the sale of the Montana Youth Treatment Center in Billings, Montana to Rivendell of Billings, Inc. for $3,275,000 plus $103,510 for SIDs will be completed. Earnest money of $65,500 has already been paid to the State.

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COMBINING FINANCIAL STATEMENTS/SCHEDULES

The financial statements that follow provide detailed information on the financial position and results of operations, by fund, for each fund type. Budget basis schedules provide comparisons of the legally established budget with actual data on the budgetary basis for expenditures/expenses and transfers out. These schedules were compiled from the Statewide Budgeting and Accounting System (SBAS).

GOVERNMENTAL FUNDS

General Fund - To account for all governmental financial resources except those required to be accounted for in another fund.

Special Revenue Funds - To account for the proceeds of specific revenue sources restricted to expenditure for specified purposes (other than expendable trusts or major capital projects).

Debt Service Funds - To account for resources accumulated for payment of principal and interest on general long-term obligations.

Capital Projects Funds - To account for resources used for the acquisition or construction of major capital facilities (other than those financed by proprietary or trust funds).

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GENERAL FUND

The General Fund is used to account for all governmental financial resources except those required to be accounted for in another fund.

STATE OF MONTANA
Balance Sheet
General Fund
June 30, 1986
(Expressed in Thousands)

	TOTALS	
	June 30, 1986	June 30, 1985
ASSETS		
Cash and Cash Equivalents	$ 11,194	$ 12,770
Receivables (Net)	19,797	17,556
Interfund Loans Receivable	7,034	2,074
Due from Other Governments	2,762	2,761
Due from Other Funds	43,257	39,245
Inventories	1,805	2,135
Long-Term Notes/Loans Receivable	439	513
Other Assets	1,581	310
TOTAL ASSETS	**$ 87,869**	**$ 77,364**
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts Payable and Accruals	$ 15,140	$ 17,006
Interfund Loans Payable	24,360	-
Due to Other Governments	4	57
Due to Other Funds	10,117	8,902
Deferred Revenue	19,421	18,108
Property Held in Trust	73	145
Total Liabilities	**69,115**	**44,218**
Fund Balance:		
Reserved For:		
Encumbrances	947	3,466
Inventories	1,805	2,135
Unreserved	16,002	27,545
Total Fund Balance	**18,754**	**33,146**
TOTAL LIABILITIES AND FUND BALANCE	**$ 87,869**	**$ 77,364**

STATE OF MONTANA

Statement of Revenues, Expenditures and Changes in Fund Balance

General Fund

For the Fiscal Year Ended June 30, 1986

(Expressed in Thousands)

	TOTALS	
	YEAR ENDED	
	June 30, 1986	June 30, 1985
REVENUES:		
Licenses and Permits	$ 25,804	$ 23,133
Taxes:		
Gas, Oil and Coal Production	46,045	52,905
Individual Income	110,218	115,877
Corporate Income	33,846	36,697
Other	19,945	20,433
Charges for Services, Fines and Forfeits	16,622	2,443
Investment Earnings	15,292	53,124
Reimbursements	-	14,432
Sale of Documents, Merchandise and Property	49	44
Rentals, Leases and Royalties	152	273
Federal	215	-
Federal Indirect Cost Recoveries	561	-
Other Revenues	5,629	619
Total Revenues	274,378	319,980
Less: Intrafund Revenues	-	(246)
Net Revenues	**274,378**	**319,734**
EXPENDITURES:		
Current:		
General Government	39,444	38,220
Public Safety and Corrections	33,187	35,729
Transportation	1,866	1,807
Health and Social Services	118,406	117,242
Education and Cultural	47,602	48,437
Resource Dev. and Recreation	13,876	12,816
Economic Development and Assist.	8,871	6,761
Debt Service:		
Principal Retirement	58	-
Interest and Fiscal Charges	2,147	2,255
Capital Outlay	3,717	1,009
Total Expenditures	269,174	264,276
Less: Intrafund Expenditures	-	(246)
Net Expenditures	**269,174**	**264,030**
Excess of Revenues Over (Under) Expenditures	**5,204**	**55,704**
OTHER FINANCING SOURCES (USES):		
Bond Proceeds	72	-
Inception of Lease/Installment Contract	43	964
Operating Transfers In	79,203	47,996
Operating Transfers Out	(102,741)	(115,311)
Total Other Financing Sources (Uses)	(23,423)	(66,351)
Difference Between Prior Year Encumbrances/ Accruals and Actual	-	5,196
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	**(18,219)**	**(5,451)**
FUND BALANCE—July 1—As Previously Reported	33,146	38,934
Prior Period Adjustments	(23)	-
FUND BALANCE—JULY 1—As Restated	33,123	38,934
Increase (Decrease) in Inventories	(330)	(83)
Residual Equity Transfers	4,180	(254)
FUND BALANCE—JUNE 30	**$ 18,754**	**$ 33,146**

STATE OF MONTANA

SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - GENERAL FUND
FOR FISCAL YEAR ENDING JUNE 30, 1986 (EXPRESSED IN THOUSANDS)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
LEGISLATIVE AUDITOR				
AUDIT & EXAMINATION PROGRAM	$ 1,126		$ 1,094	$ 32
TOTAL AGENCY	**$ 1,126**		**$ 1,094**	**$ 32**
LEGISLATIVE FISCAL ANALYST				
ANALYSIS AND REVIEW	775		739	36
TOTAL AGENCY	**$ 775**		**$ 739**	**$ 36**
LEGISLATIVE COUNCIL				
LEGISLATIVE COUNCIL FEED BILL	326		162	164
INTERIM STUDIES & CONFERENCES	309		188	121
LEGISLATIVE COUNCIL	1,589		1,509	80
TOTAL AGENCY	**$ 2,224**		**$ 1,859**	**$ 365**
LEGISLATURE-SENATE				
LEGISLATURE - SENATE	617		291	326
TOTAL AGENCY	**$ 617**		**$ 291**	**$ 326**
LEGISLATURE-HOUSE				
LEGIS.- HOUSE OF REPRESENTATIV	1,045		529	516
TOTAL AGENCY	**$ 1,045**		**$ 529**	**$ 516**
ENVIRONMENTAL QUALITY COUNCIL				
ENVIRONMENTAL QUALITY PROGRAM	230		228	2
TOTAL AGENCY	**$ 230**		**$ 228**	**$ 2**
JUDICIARY				
SUPREME COURT OPERATIONS	1,355		1,344	11
BOARDS AND COMMISSIONS	170		164	6
LAW LIBRARY	500		499	1
DISTRICT COURT OPERATIONS	2,220		2,217	3

STATE OF MONTANA

SCHEDULE OF EXPENDITURES AND TRANSFERS OUT

BUDGET AND ACTUAL (BUDGET BASIS) - GENERAL FUND

FOR FISCAL YEAR ENDING JUNE 30, 1986 (EXPRESSED IN THOUSANDS)

(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
JUDICIARY				
TOTAL AGENCY	**$ 4,245**		**$ 4,224**	**$ 21**
GOVERNORS OFFICE				
EXECUTIVE OFFICE PROGRAM	1,152		1,024	128
MANSION MAINTENANCE PROGRAM	59		56	3
AIR TRANSPORTATION PROGRAM	95		91	4
OFFICE OF BDGET & PGM PLANNING	678		666	12
LT. GOVERNOR	232		228	4
CITIZENS ADVOCATE OFFICE	49		49	0
MENTAL DIS BD VISITORS	126		117	9
TOTAL AGENCY	**$ 2,391**		**$ 2,231**	**$ 160**
SECRETARY OF STATES OFFICE				
RECORDS MANAGEMENT PROGRAM	895		831	64
ADMINISTRATIVE CODE PROGRAM		31	31	0
TOTAL AGENCY	**$ 895**	**$ 31**	**$ 862**	**$ 64**
COMMISSIONER OF POLITICAL PRAC				
ADMINISTRATION	145		140	5
TOTAL AGENCY	**$ 145**		**$ 140**	**$ 5**
STATE AUDITORS OFFICE				
CENTRAL MGMNT	368		364	4
AUDIT DIVISION	717		708	9
TOTAL AGENCY	**$ 1,085**		**$ 1,072**	**$ 13**
OFFICE OF PUBLIC INSTRUCTION				
CHIEF STATE SCHOOL OFFICER	129		128	1
BASIC SKILLS	947		940	7
VOCATIONAL EDUCATION	355		334	21
ADMINISTRATIVE SERVICES	926		908	18
SPECIAL SERVICES	134		131	3
DISTRI TO PUB SCH PGM	35,932		35,120	812
DISTRI TO PUB SCH PGM		37,259	9,354	27,905

STATE OF MONTANA

SCHEDULE OF EXPENDITURES AND TRANSFERS OUT

BUDGET AND ACTUAL (BUDGET BASIS) - GENERAL FUND

FOR FISCAL YEAR ENDING JUNE 30, 1986 (EXPRESSED IN THOUSANDS)

(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
OFFICE OF PUBLIC INSTRUCTION				
TOTAL AGENCY	**$ 38,423**	**$ 37,259**	**$ 46,915**	**$ 28,767**
CRIME CONTROL DIVISION				
BOARD OF CRIME CONTROL	489		480	9
TOTAL AGENCY	**$ 489**		**$ 480**	**$ 9**
DEPARTMENT OF JUSTICE				
LEGAL SERVICES DIVISION	800		786	14
INDIAN LEGAL JURISDICTION	311		109	202
COUNTY PROSECUTOR SERVICES	132		130	2
DRIVER SERVICES BUREAU	1,817		1,811	6
HIGHWAY PATROL DIVISION	2,595		2,581	14
LAW ENFORCEMENT SERVICES DIV.	82		77	5
COUNTY ATTORNEY PAYROLL	1,588		1,588	0
COMMUNICATIONS BUREAU	243		242	1
FIRE MARSHAL BUREAU	338		326	12
IDENTIFICATION BUREAU	241		234	7
CRIMINAL INVESTIGATION BUREAU	162		157	5
CENTRAL SERVICES DIVISION	367		354	13
DATA PROCESSING DIVISION	318		311	7
EXTRADITION & TRANSP PRISONERS	159		147	12
TOTAL AGENCY	**$ 9,153**		**$ 8,853**	**$ 300**
PUBLIC SERVICE REGULATION				
PUBLIC SERVICE REGULATION PROG	1,674		1,587	87
PUBLIC SERVICE REGULATION PROG		5	5	0
TOTAL AGENCY	**$ 1,674**	**$ 5**	**$ 1,592**	**$ 87**
BOARD OF PUBLIC EDUCATION				
ADMINISTRATION	114		106	8
TOTAL AGENCY	**$ 114**		**$ 106**	**$ 8**
COMMISSIONER OF HIGHER ED				
ADMINISTRATION PROGRAM	815		796	19
STUDENT ASSISTANCE PROGRAM	2,026		2,018	8

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - GENERAL FUND
FOR FISCAL YEAR ENDING JUNE 30, 1986 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
COMMISSIONER OF HIGHER ED				
COMMUNITY COLLEGE ASSISTANCE	$ 3,189		$ 3,184	$ 5
COMMISSIONERS APPROP DISTRIB		82,732	82,732	0
TOTAL AGENCY	**$ 6,030**	**$ 82,732**	**$ 88,730**	**$ 32**
SCHOOL FOR THE DEAF & BLIND				
ADMINISTRATION PROGRAM	206		184	22
GENERAL SERVICES PROGRAM	286		273	13
STUDENT SERVICES	616		613	3
EDUCATION	928		898	30
AUDIOLOGY PROGRAM	1,173		672	501
TOTAL AGENCY	**$ 3,209**		**$ 2,640**	**$ 569**
MONTANA ARTS COUNCIL				
PROMOTION OF THE ARTS	60		60	0
GRANTS	20		20	0
SPECIAL PROJECTS	38		38	0
TOTAL AGENCY	**$ 118**		**$ 118**	**0**
LIBRARY COMMISSION				
REFERENCE & INFORMATION SER.	270		269	1
LIBRARY DEVELOPMENT	35		35	0
INSTITUTIONAL LIB SER PROGRAM	13		13	0
LIB SER FOR PHYS HANDI PGM	55		55	0
ADMINISTRATION	109		109	0
TECHNICAL SERVICES	62		62	0
TOTAL AGENCY	**$ 544**		**$ 543**	**$ 1**
HISTORICAL SOCIETY				
ADMINISTRATION PROGRAM	518		508	10
LIBRARY PROGRAM	151		151	0
MUSEUM PROGRAM	213		212	1
MAGAZINE PROGRAM		41	41	0
HIST SITES PRESERVATION PROG	76		75	1
ARCHIVES PROGRAM	202		199	3
EDUCATION PROGRAM	21		18	3
TOTAL AGENCY	**$ 1,181**	**$ 41**	**$ 1,204**	**$ 18**

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - GENERAL FUND
FOR FISCAL YEAR ENDING JUNE 30, 1986 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
BOARD OF REGENTS				
ADMINISTRATION PROGRAM	$ 23		$ 23	0
TOTAL AGENCY	**$ 23**		**$ 23**	**0**
FIRE SERVICES TRAINING SCHOOL				
FIRE SERVICES TRAINING SCHOOL	229		228	1
TOTAL AGENCY	**$ 229**		**$ 228**	**$ 1**
DEPT OF FISH, WILDLIFE & PARKS				
RECREATION & PARKS DIVISION	410		405	5
TOTAL AGENCY	**$ 410**		**$ 405**	**$ 5**
DEPT HEALTH & ENVIRON SCIENCES				
DIRECTOR'S PROGRAM	604		540	64
FINANCIAL MANAGEMENT DIVISION	243		241	2
ENVIRONMENTAL SCIENCES DIV.	1,268		1,237	31
MANAGEMENT SERVICES DIV.	610		566	44
HLTH SER & MED FAC DIV.	1,548		1,269	279
TOTAL AGENCY	**$ 4,273**		**$ 3,853**	**$ 420**
DEPARTMENT OF STATE LANDS				
CENTRAL MANAGEMENT PROGRAM	875		845	30
LAND ADMINISTRATION PGM	553		546	7
FORESTRY	7,341		7,288	53
TOTAL AGENCY	**$ 8,769**		**$ 8,679**	**$ 90**
DEPARTMENT OF LIVESTOCK				
CENTRALIZED SERVICES PROGRAM	62		57	5
DIAGNOSTIC LABORATORY PROGRAM	314		312	2
MILK & EGG PROGRAM	210		204	6
RABIES CONTROL	68		68	0
TOTAL AGENCY	**$ 654**		**$ 641**	**$ 13**

STATE OF MONTANA

SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - GENERAL FUND
FOR FISCAL YEAR ENDING JUNE 30, 1986 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
DEPT OF NAT RESOURCES & CONSER				
CENTRALIZED SERVICES	$ 1,171		$ 1,118	$ 53
WATER RESOURCES & PLANNING	2,930		2,901	29
ENERGY PLANNING	451		397	54
TOTAL AGENCY	**$ 4,552**		**$ 4,416**	**$ 136**
DEPARTMENT OF REVENUE				
DIRECTORS OFFICE	559		521	38
CENTRALIZED SERVICES DIVISION	864		858	6
RESEARCH & INFORMATION DIVISIO	1,165		1,151	14
LEGAL DIVISION	611		595	16
INCOME TAX	2,615		2,613	2
CORPORATION TAX	1,119		1,110	9
PROPERTY VALUATION	11,571		11,563	8
MISCELLANEOUS TAXES	431		429	2
TOTAL AGENCY	**$ 18,935**		**$ 18,840**	**$ 95**
DEPARTMENT OF ADMINISTRATION				
DIRECTOR'S OFFICE	253		253	0
ACCOUNTING PROGRAM	832		829	3
GENERAL SERVICES PROGRAM	515		408	107
GENERAL SERVICES PROGRAM		27	27	0
PURCHASING PROGRAM	510		495	15
CENTRALIZED SERVICES DIVISION	440		413	27
EMERGENCY & DISASTER PGM	0		0	0
STATE PERSONNEL DIVISION	922		920	2
STATE PERSONNEL DIVISION		31	31	0
PASSENGER TRAMWAY SAFETY	19		12	7
STATE TAX APPEAL BOARD	326		320	6
BONDS & TANS	2,139		2,139	0
BONDS & TANS		12,446	10,227	2,219
TOTAL AGENCY	**$ 5,956**	**$ 12,504**	**$ 16,074**	**$ 2,386**
DEPARTMENT OF AGRICULTURE				
CENTRALIZED SERVICES DIVISION	306		305	1
ENVIRONMENTAL MANAGEMENT DIV	696		681	15
PLANT INDUSTRY DIVISION	432		419	13
AGRICULTURAL DEVELOPMENT	435		137	298
TOTAL AGENCY	**$ 1,869**		**$ 1,542**	**$ 327**

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - GENERAL FUND
FOR FISCAL YEAR ENDING JUNE 30, 1986 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
DEPARTMENT OF INSTITUTIONS				
DIRECTOR	$ 385		$ 382	$ 3
MANAGEMENT SERVICES DIVISION	906		876	30
ALCOHOL & DRUG ABUSE DIVISION	215		215	0
CORRECTIONS	4,006		3,854	152
WOMEN'S CORRECTIONAL PROGRAM	682		668	14
CORRECTION'S MEDICAL BUDGET	1,222		848	374
MH & RES. SERVICES ADMIN.	4,113		4,111	2
TOTAL AGENCY	**$ 11,529**		**$ 10,954**	**$ 575**
MONTANA DEVELOPMENTAL CENTER				
SERVICE & SUPPORT	10,746		10,711	35
TOTAL AGENCY	**$ 10,746**		**$ 10,711**	**$ 35**
CENTER FOR THE AGED				
RESIDENTIAL SERVICES	2,513		2,497	16
TOTAL AGENCY	**$ 2,513**		**$ 2,497**	**$ 16**
EASTMONT TRAINING CENTER				
CARE & CUSTODY	2,096		2,085	11
TOTAL AGENCY	**$ 2,096**		**$ 2,085**	**$ 11**
MOUNTAIN VIEW SCHOOL				
CARE & CUSTODY	1,681		1,662	19
TOTAL AGENCY	**$ 1,681**		**$ 1,662**	**$ 19**
PINE HILLS SCHOOL				
CARE & CUSTODY DEPARTMENT	2,620		2,595	25
TOTAL AGENCY	**$ 2,620**		**$ 2,595**	**$ 25**
MONTANA STATE PRISON				
CARE & CUSTODY	10,538		10,262	276

STATE OF MONTANA

SCHEDULE OF EXPENDITURES AND TRANSFERS OUT

BUDGET AND ACTUAL (BUDGET BASIS) - GENERAL FUND

FOR FISCAL YEAR ENDING JUNE 30, 1986 (EXPRESSED IN THOUSANDS)

(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
DEPARTMENT OF COMMERCE				
LOCAL GOVERNMENT AUDIT SERV.	$ 1,375		$ 1,365	$ 10
LOCAL GOVERNMENT AUDIT SERV.		88	88	0
ACCTG & MGNT SERVICES	4,550		3,973	577
ACCTG & MGNT SERVICES		87	87	0
INDIAN AFFAIRS COORDINATOR	107		90	17
(MT) ECONOMIC DEVELOPMENT BOAR		191	189	2
DIRECTOR'S OFFICE/MNGT SERVICE	1		0	1
LEGAL SERVICES	131		125	6
TOTAL AGENCY	**$ 9,780**	**$ 366**	**$ 9,352**	**$ 794**
LABOR AND INDUSTRY				
LABOR STANDARDS DIVISION	560		543	17
APPEALS DIVISION	305		294	11
HUMAN RIGHTS	207		207	0
TOTAL AGENCY	**$ 1,072**		**$ 1,044**	**$ 28**
LABOR & IND-EMPLOYMENT SERVS				
JOB TRAINING PARTNERSHIP ACT	319		291	28
TOTAL AGENCY	**$ 319**		**$ 291**	**$ 28**
LABOR & IND-WORKERS' COMP				
INSURANCE COMPLIANCE PROGRAM	101		100	1
TOTAL AGENCY	**$ 101**		**$ 100**	**$ 1**
ADJUTANT GENERAL				
ADMINISTRATION PROGRAM	167		164	3
ARMY NATIONAL GUARD PGM	860		836	24
AIR NATIONAL GUARD PGM	107		106	1
DISASTER COORDINATION RESPONSE	225		221	4
VETERANS AFFAIRS PROGRAM	474		470	4
VETERAN'S CEMETERY	25		25	0
DISASTER FUND	204		130	74
TOTAL AGENCY	**$ 2,062**		**$ 1,952**	**$ 110**

STATE OF MONTANA

SCHEDULE OF EXPENDITURES AND TRANSFERS OUT

BUDGET AND ACTUAL (BUDGET BASIS) - GENERAL FUND

FOR FISCAL YEAR ENDING JUNE 30, 1986 (EXPRESSED IN THOUSANDS)

(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
MONTANA STATE PRISON				
PRISON INDSTRS TRAINING PROGRA	155		148	7
TOTAL AGENCY	**$ 10,693**		**$ 10,410**	**$ 283**
SWAN RIVER YOUTH FOREST CAMP				
CARE & CUSTODY	843		829	14
TOTAL AGENCY	**$ 843**		**$ 829**	**$ 14**
VETERANS HOME				
CARE & CUSTODY	482		441	41
TOTAL AGENCY	**$ 482**		**$ 441**	**$ 41**
MONTANA STATE HOSPITAL				
TREATMENT SERVICES	17,819		17,597	222
TOTAL AGENCY	**$ 17,819**		**$ 17,597**	**$ 222**
BOARD OF PARDONS				
BOARD SERVICES	166		161	5
TOTAL AGENCY	**$ 166**		**$ 161**	**$ 5**
MONTANA YOUTH TREATMENT CENTER				
TREATMENT SERVICES	2,138		2,095	43
TOTAL AGENCY	**$ 2,138**		**$ 2,095**	**$ 43**
DEPARTMENT OF COMMERCE				
BUS LIC & REG-PROGRAM SUPPORT	5		5	0
WEIGHT & MEASURES BUREAU	466		444	22
TRANSPORTATION DIVISION	712		605	107
BUSINESS ASSISTANCE PROGRAM	714		686	28
MONTANA PROMOTION BUREAU	1,238		1,233	5
COMMUNITY ASSISTANCE PROGRAM	204		197	7
ECONOMIC POLICY & RESEARCH	277		265	12

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - GENERAL FUND
FOR FISCAL YEAR ENDING JUNE 30, 1986 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
DEPT SOCIAL & REHAB SERVICES				
ASSISTANCE PAYMENT PROGRAM	$ 18,191		$ 16,591	$ 1,600
SOCIAL SERVICES PROGRAM	13,925		13,686	239
ELIGIBILITY DETERMINATION PGM	2,004		1,979	25
ADMINISTRATIVE & SUPPORT SVS	1,385		1,330	55
STATE ASSUMED COUNTY ADMIN.	1,005		990	15
MEDICAL ASSISTANCE	33,401		33,335	66
AUDIT AND PRO. COMPLIANCE DIV.	633		587	46
VOCATIONAL REHABILITATION PGM	674		662	12
VISUAL SERVICES PRGM	250		242	8
DEVELOPMENTAL DISAB PROGRAM	3,485		3,479	6
TOTAL AGENCY	**$ 74,953**		**$ 72,881**	**$ 2,072**
Totals - All Agencies' Programs	$ 272,996	$ 132,938	$ 366,808	$ 39,126
Net Adjustments for Accruals/ Rounding	(1)	1	1,586	(1,586)
Budget Basis Statement in GPFS	$ 272,995	$ 132,939	$ 368,394*	$ 37,540*
*Expenditures			$ 265,583	$ 7,412
Transfers Out			102,811	30,128
			$ 368,394	$ 37,540

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SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted to expenditure for specified purposes. A brief description of each Special Revenue Fund follows.

State Special Revenue Fund - This fund accounts for money from State sources that is earmarked for the purpose of defraying particular costs of an agency, program or function.

Federal Special Revenue Fund - This fund accounts for money from federal sources that is used for the operation of State government.

Other Special Revenue Funds:

Revolving - This fund accounts for resources used to defray reimbursable expenditures.

Private Donations - This fund accounts for private donations that are used for the operation of State government.

Interest and Income - This fund accounts for the interest and income from lands granted to State institutions.

Insurance Reimbursements - This fund accounts for insurance proceeds from damage to State property. Proceeds are used to repair or replace the damaged property or are transferred to the fund from which insurance premiums are paid.

Assessments - This fund accounts for resources received from miscellaneous assessments charged to private individuals and businesses. The resources are primarily used for wheat, pork and beef research/marketing and for mitigation resulting from environmental issues with the Colstrip Consortium.

STATE OF MONTANA

Combining Balance Sheet

Special Revenue Funds

June 30, 1986

(Expressed in Thousands)

			OTHER SPECIAL REVENUE FUNDS					TOTALS	
	STATE	FEDERAL	REVOLVING	PRIVATE DONATIONS	INTEREST AND INCOME	INSURANCE REIMBURSE-MENTS	ASSESSMENTS	June 30, 1986	June 30, 1985
ASSETS									
Cash and Cash Equivalents	$ 106,225	$ 21,573	$ 2,791	$ 339	$ 43	$ 3	$ 2,151	$ 133,125	$ 163,388
Cash with Fiscal Agent	1,492	-	-	-	-	-	-	1,492	1,368
Receivables (Net)	19,023	2,136	1,482	13	55	-	-	22,709	15,669
Interfund Loans Receivable	36,059	-	30	-	-	-	-	36,089	28,795
Due from Other Governments	375	27,014	40	-	-	-	-	27,429	42,921
Due from Other Funds	35,121	2,393	274	79	134	-	1	38,002	43,267
Inventories	17,205	9	144	-	-	-	-	17,358	16,314
Advances to Investment Pool	16,923	7,528	-	-	-	-	80	24,531	34,312
Long-Term Notes/Loans Receivable	7,756	2,611	-	-	-	-	-	10,367	12,102
Investments	8,329	-	-	-	-	-	-	8,329	28,116
Other Assets	761	1,248	2	61	-	-	-	2,072	1,920
TOTAL ASSETS	**$ 249,269**	**$ 64,512**	**$ 4,763**	**$ 492**	**$ 232**	**$ 3**	**$ 2,232**	**$ 321,503**	**$ 388,172**
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts Payable and Accruals	$ 28,049	$ 17,760	$ 373	$ 6	$ -	$ -	$ 57	$ 46,245	$ 46,768
Interfund Loans Payable	6,306	15,215	-	-	39	-	-	21,560	30,715
Due to Other Governments	379	1,440	-	-	-	-	-	1,819	2,175
Due to Other Funds	46,164	5,422	776	109	37	-	30	52,538	49,559
Deferred Revenue	10,710	5,456	138	20	-	-	-	16,324	17,571
Property Held in Trust	713	41	-	69	-	-	-	823	705
Other Liabilities	618	-	1,291	-	-	-	-	1,909	2,142
Total Liabilities	**92,939**	**45,334**	**2,578**	**204**	**76**	**-**	**87**	**141,218**	**149,635**
Fund Balances:									
Reserved For:									
Encumbrances	4,964	3,957	96	13	-	-	-	9,030	11,229
Inventories	17,205	9	144	-	-	-	-	17,358	16,314
Long-Term Assets	5,206	2,335	-	-	-	-	-	7,541	8,250
Unreserved	128,955	12,877	1,945	275	156	3	2,145	146,356	202,744
Total Fund Balances	**156,330**	**19,178**	**2,185**	**288**	**156**	**3**	**2,145**	**180,285**	**238,537**
TOTAL LIABILITIES AND FUND BALANCES	**$ 249,269**	**$ 64,512**	**$ 4,763**	**$ 492**	**$ 232**	**$ 3**	**$ 2,232**	**$ 321,503**	**$ 388,172**

STATE OF MONTANA

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Special Revenue Funds

For the Fiscal Year Ended June 30, 1986

(Expressed in Thousands)

			OTHER					TOTALS YEAR ENDED	
	STATE	FEDERAL	REVOLVING	PRIVATE DONATIONS	INTEREST AND INCOME	INSURANCE REIMBURSEMENTS	ASSESSMENTS	June 30, 1986	June 30, 1985
REVENUES:									
Licenses and Permits	$ 51,559	$ -	$ 174	$ -	$ -	$ -	$ -	$ 51,733	$ 40,611
Taxes:									
Gas, Oil and Coal Production	22,720	-	-	-	-	-	-	22,720	32,843
Individual Income	43,054	-	-	-	-	-	-	43,054	45,264
Corporate Income	18,876	-	-	-	-	-	-	18,876	19,666
Other	134,657	1,009	-	-	-	-	1,020	136,686	142,308
Charges for Services, Fines and Forfeits	8,348	695	8,026	- -	-	4	-	17,073	14,701
Investment Earnings	46,642	911	-	12	504	-	75	48,144	58,474
Reimbursements	-	-	-	-	-	-	-	-	1,249
Sale of Doc. Mdse. and Property	13,530	- -	1,637	4	-	-	-	15,171	15,850
Rentals, Leases and Royalties	597	-	40	-	99	-	-	736	633
Contributions and Premiums	280	-	-	-	-	-	-	280	341
Grants, Contracts and Donations	872	746	-	610	3	-	1,711	3,942	1,870
Federal	20,242	378,627	66	-	-	-	-	398,935	388,109
Federal Indirect Cost Recoveries	6	1,500	965	-	-	-	-	2,471	-
Other Revenues	-	240	-	-	13	4	-	257	1,404
Total Revenues	361,383	383,728	10,908	626	619	8	2,806	760,078	763,323
Less: Intrafund Revenues	(10,616)	(862)	(18)	-	-	-	-	(11,496)	(571)
Net Revenues	**350,767**	**382,866**	**10,890**	**626**	**619**	**8**	**2,806**	**748,582**	**762,752**
EXPENDITURES:									
Current:									
General Government	13,250	1,479	2,162	9	-	-	-	16,900	12,004
Public Safety and Corrections	15,277	6,899	1,702	3	313	1	-	24,195	20,462
Transportation	134,179	131,579	1,937	233	-	-	12	267,940	262,478
Health and Social Services	15,866	164,761	5,665	-	4	6	-	186,302	174,609
Education and Cultural	175,729	7,561	645	236	211	-	-	184,382	174,194
Resource Development and Recreation	26,322	12,003	169	15	-	-	-	38,509	38,859
Economic Development and Assistance	33,183	43,944	830	4	-	-	1,055	79,016	78,105
Debt Service:									
Principal Retirement	10,514	3	-	61	-	-	-	10,578	29
Interest and Fiscal Charges	698	-	-	-	-	-	-	698	290
Capital Outlay	10,061	6,752	229	197	-	11	52	17,302	10,093
Total Expenditures	435,079	374,981	13,339	758	528	18	1,119	825,822	771,123
Less: Intrafund Expenditures	(10,616)	(862)	(18)	-	-		-	(11,496)	(571)
Net Expenditures	**424,463**	**374,119**	**13,321**	**758**	**528**	**18**	**1,119**	**814,326**	**770,552**
Excess of Revenues Over (Under) Expenditures	(73,696)	8,747	(2,431)	(132)	91	(10)	1,687	(65,744)	(7,800)
OTHER FINANCING SOURCES (USES):									
Bond Proceeds	31,453	-	-	-	-	-	-	31,453	11,385
Inception of Lease/Installment Contract	7	-	-	182	-	-	-	189	-
Gen. Fixed Asset Sale Proceeds	-	-	1	-	-	-	-	1	-
Operating Transfers In	38,189	20	961	55	-	-	-	39,225	42,448
Operating Transfers Out	(42,259)	(1,494)	-	-	-	-	-	(43,753)	(34,371)
Total Other Financing Sources (Uses)	27,390	(1,474)	962	237	-	-	-	27,115	19,462
Difference Between Prior Year Encumbrances/Accruals and Actual	-	-	-	-	-	-	-	-	(12,455)
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	**(46,306)**	**7,273**	**(1,469)**	**105**	**91**	**(10)**	**1,687**	**(38,629)**	**(793)**
FUND BALANCES—JULY 1—As Previously Reported	211,553	11,890	14,494	175	(46)	13	458	238,537	234,322
Prior Period Adjustments	9,460	-	-	(2)	111	-	-	9,569	8,352
FUND BALANCES—July 1—As Restated	221,013	11,890	14,494	173	65	13	458	248,106	242,674
Increase (Decrease) in Inventories	16,957	-	(15,913)	-	-	-	-	1,044	777
Decrease in Long-Term Assets Reserve	(11)	(23)	-	-	-	-	-	(34)	-
Residual Equity Transfers	(35,323)	38	5,073	10	-	-	-	(30,202)	(4,121)
FUND BALANCES—JUNE 30	**$ 156,330**	**$ 19,178**	**$ 2,185**	**$ 288**	**$ 156**	**$ 3**	**$ 2,145**	**$ 180,285**	**$ 238,537**

STATE OF MONTANA

Schedule of Revenues, Expenditures and Other Financing Sources (Uses) -
Budget and Actual with Reconciliation of Expenditures/Other Financing Uses per the
Statewide Budgeting and Accounting System (SBAS) to Budget Basis Statement in the GPFS -
Special Revenue Funds
For the Fiscal Year Ended June 30, 1986
(Expressed in Thousands)

	STATE SPECIAL REVENUE FUND			FEDERAL SPECIAL REVENUE FUND		
	BUDGET	ACTUAL	VARIANCE - FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE - FAVORABLE (UNFAVORABLE)
REVENUES:						
Licenses and Permits	$ 56,919	$ 51,559	$ (5,360)	$ -	$ -	$ -
Taxes:						
Gas, Oil and Coal Production	27,339	22,720	(4,619)	-	-	-
Individual Income	48,940	43,054	(5,886)	-	-	-
Corporate Income	16,251	18,876	2,625	-	-	-
Other Taxes	130,644	134,657	4,013	1,004	1,009	5
Charges for Services, Fines and Forfeits	8,433	8,348	(85)	692	695	3
Investment Earnings	47,839	46,642	(1,197)	828	911	83
Sale of Documents, Merchandise and Property	13,967	13,530	(437)	17	-	(17)
Rentals, Leases and Royalties	858	597	(261)	68	-	(68)
Contributions and Premiums	300	280	(20)	-	-	-
Grants, Contracts and Donations	2,574	872	(1,702)	1,014	746	(268)
Federal	20,447	20,242	(205)	397,734	378,627	(19,107)
Federal Indirect Cost Recoveries	1	6	5	1,431	1,500	69
Other Revenues	544	-	(544)	90	240	150
Total Revenues	375,056	361,383	(13,673)	402,878	383,728	(19,150)
OTHER FINANCING SOURCES:						
Bond Proceeds	1,700	31,453	29,753	-	-	-
Operating Transfers In	97,628	51,354	(46,274)	20	20	-
Total Other Financing Sources (Uses)	99,328	82,807	(16,521)	20	20	-
Total Revenues and Other Financing Sources	**$ 474,384**	**$ 444,190**	**$ (30,194)**	**$ 402,898**	**$ 383,748**	**$ (19,150)**
EXPENDITURES/OTHER FINANCING USES (pp. 73, 81, 87):						
All Agencies' Programs	$ 541,774	$ 454,607	$ 87,167	$ 408,656	$ 376,782	$ 31,874
Transfers Out	83,212	55,508	27,704	1,800	1,488	312
Total Expenditures/Other Financing Uses (SBAS)	**$ 624,986**	**$ 510,115**	**$ 114,871**	**$ 410,456**	**$ 378,270**	**$ 32,186**
Net Adjustments for Accruals/Rounding						
Adjusted Expenditures/Other Financing Uses (1)						
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses—Budget Basis Statement in GPFS						

(1) Budget Basis Statement in GPFS:
Expenditures
Transfers Out

OTHER SPECIAL REVENUE FUNDS			TOTALS (MEMORANDUM ONLY)		
BUDGET	ACTUAL	VARIANCE - FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE - FAVORABLE (UNFAVORABLE)
$ 170	$ 174	$ 4	$ 57,089	$ 51,733	$ (5,356)
-	-	-	27,339	22,720	(4,619)
-	-	-	48,940	43,054	(5,886)
-	-	-	16,251	18,876	2,625
1,099	1,020	(79)	132,747	136,686	3,939
7,436	8,030	594	16,561	17,073	512
438	591	153	49,105	48,144	(961)
1,525	1,641	116	15,509	15,171	(338)
150	139	(11)	1,076	736	(340)
-	-	-	300	280	(20)
2,858	2,324	(534)	6,446	3,942	(2,504)
101	66	(35)	418,282	398,935	(19,347)
892	965	73	2,324	2,471	147
32	17	(15)	666	257	(409)
14,701	14,967	266	792,635	760,078	(32,557)
-	-	-	1,700	31,453	29,753
1,044	1,016	(28)	98,692	52,390	(46,302)
1,044	1,016	(28)	100,392	83,843	(16,549)
$ 15,745	**$ 15,983**	**$ 238**	**893,027**	**843,921**	**(49,106)**
$ 18,344	$ 13,689	$ 4,655	968,774	845,078	123,696
12	-	12	85,024	56,996	28,028
$ 18,356	**$ 13,689**	**$ 4,667**	**1,053,798**	**902,074**	**151,724**
			4	(1,637)	1,641
			1,053,802	900,437	153,365
			$ (160,775)	**$ (56,516)**	**$ 104,259**
			$ 968,775	$ 843,440	$ 125,335
			85,027	56,997	28,030
			$ 1,053,802	$ 900,437	$ 153,365

STATE OF MONTANA

SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - STATE SPECIAL REVENUE FUND
FOR FISCAL YEAR ENDING JUNE 30, 1986 (EXPRESSED IN THOUSANDS)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
LEGISLATIVE COUNCIL				
INTERIM STUDIES & CONFERENCES	$ 12		$ 4	$ 8
TOTAL AGENCY	**$ 12**		**$ 4**	**$ 8**
ENVIRONMENTAL QUALITY COUNCIL				
ENVIRONMENTAL QUALITY PROGRAM	26		11	15
TOTAL AGENCY	**$ 26**		**$ 11**	**$ 15**
CONSUMER COUNSEL				
ADMINISTRATION PROGRAM	882		461	421
TOTAL AGENCY	**$ 882**		**$ 461**	**$ 421**
JUDICIARY				
LAW LIBRARY	47		18	29
WATER COURTS SUPERVISION	563		407	156
TOTAL AGENCY	**$ 610**		**$ 425**	**$ 185**
GOVERNORS OFFICE				
EXECUTIVE OFFICE PROGRAM	130		18	112
STATEHOOD CENTENNIAL OFFICE	238		46	192
TOTAL AGENCY	**$ 368**		**$ 64**	**$ 304**
SECRETARY OF STATES OFFICE				
RECORDS MANAGEMENT PROGRAM	266		164	102
TOTAL AGENCY	**$ 266**		**$ 164**	**$ 102**
STATE AUDITORS OFFICE				
INSURANCE	747		705	42
INSURANCE		347	347	0
SECURITIES	263		259	4
SECURITIES		1,723	1,723	0
LOCAL ASSISTANCE DISTRIBUTIONS	5,344		5,009	335

STATE OF MONTANA

SCHEDULE OF EXPENDITURES AND TRANSFERS OUT

BUDGET AND ACTUAL (BUDGET BASIS) - STATE SPECIAL REVENUE FUND

FOR FISCAL YEAR ENDING JUNE 30, 1986 (EXPRESSED IN THOUSANDS)

(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
STATE AUDITORS OFFICE				
PENSION ADJ RETIRED FIREMEN	959		959	0
TOTAL AGENCY	**$ 7,313**	**$ 2,070**	**$ 9,002**	**$ 381**
OFFICE OF PUBLIC INSTRUCTION				
BASIC SKILLS	96		92	4
BASIC SKILLS		13	13	0
DISTRI TO PUB SCH PGM	172,349		172,162	187
DISTRI TO PUB SCH PGM		1,798	1,798	0
TOTAL AGENCY	**$ 172,445**	**$ 1,811**	**$ 174,065**	**$ 191**
HIGHWAY TRAFFIC SAFETY				
HIGHWAY TRAFFIC SAFETY DIVISIO	73		71	2
TOTAL AGENCY	**$ 73**		**$ 71**	**$ 2**
DEPARTMENT OF JUSTICE				
LEGAL SERVICES DIVISION	20		20	0
DRIVER SERVICES BUREAU	301		299	2
HIGHWAY PATROL DIVISION	6,816		6,754	62
REGISTRAR'S BUREAU	1,941		1,930	11
COMMUNICATIONS BUREAU	196		194	2
LAW ENFORCEMENT ACADEMY DIV.	584		584	0
CENTRAL SERVICES DIVISION	15		13	2
DATA PROCESSING DIVISION	306		305	1
FORENSIC SCIENCE DIVISION	737		733	4
TOTAL AGENCY	**$ 10,916**		**$ 10,832**	**$ 84**
COMMISSIONER OF HIGHER ED				
STUDENT ASSISTANCE PROGRAM	2,422		2,421	1
COMMISSIONERS APPROP DISTRIB		14,384	14,384	0
TOTAL AGENCY	**$ 2,422**	**$ 14,384**	**$ 16,805**	**$ 1**
MONTANA ARTS COUNCIL				
GRANTS	1,267		481	786
SPECIAL PROJECTS	83		49	34

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - STATE SPECIAL REVENUE FUND
FOR FISCAL YEAR ENDING JUNE 30, 1986 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
MONTANA ARTS COUNCIL				
TOTAL AGENCY	**$ 1,350**		**$ 530**	**$ 820**
LIBRARY COMMISSION				
REFERENCE & INFORMATION SER.	21		19	2
LIBRARY DEVELOPMENT	379		369	10
TECHNICAL SERVICES	48		43	5
NATURAL RESOURCES/HERITAGE	383		98	285
TOTAL AGENCY	**$ 831**		**$ 529**	**$ 302**
HISTORICAL SOCIETY				
ADMINISTRATION PROGRAM	150		150	0
ARCHIVES PROGRAM	96		38	58
TOTAL AGENCY	**$ 246**		**$ 188**	**$ 58**
DEPT OF FISH, WILDLIFE & PARKS				
CENTRALIZED SERVICES DIVISION	1,608		1,471	137
CENTRALIZED SERVICES DIVISION		100	0	100
FIELD SERVICES DIVISION	1,065		1,059	6
FISHERIES DIVISION	2,871		2,828	43
FISHERIES DIVISION		20	20	0
LAW ENFORCEMENT DIVISION	3,851		3,772	79
WILDLIFE DIVISION	2,647		2,551	96
RECREATION & PARKS DIVISION	2,725		2,686	39
RECREATION & PARKS DIVISION		220	0	220
CAPITAL OUTLAY	3,982		1,224	2,758
CAPITAL OUTLAY		1,237	1,212	25
CONSERVATION EDUCATION DIVISIO	1,076		1,065	[illegible]
ADMINISTRATION	900		826	74
ADMINISTRATION		75	75	0
TOTAL AGENCY	**$ 20,725**	**$ 1,652**	**$ 18,789**	**$ 3,588**
DEPT HEALTH & ENVIRON SCIENCES				
FINANCIAL MANAGEMENT DIVISION	72		70	2
ENVIRONMENTAL SCIENCES DIV.	3,477		1,368	2,109
ENVIRONMENTAL SCIENCES DIV.		500	0	500
MANAGEMENT SERVICES DIV.	395		322	73
TOTAL AGENCY	**$ 3,944**	**$ 500**	**$ 1,760**	**$ 2,684**

STATE OF MONTANA

SCHEDULE OF EXPENDITURES AND TRANSFERS OUT

BUDGET AND ACTUAL (BUDGET BASIS) - STATE SPECIAL REVENUE FUND

FOR FISCAL YEAR ENDING JUNE 30, 1986 (EXPRESSED IN THOUSANDS)

(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
DEPARTMENT OF HIGHWAYS				
GENERAL OPERATIONS PROGRAM	$ 22,453		$ 21,848	$ 605
CONSTRUCTION PROGRAM	87,277		71,732	15,545
MAINTENANCE PROGRAM	41,891		41,547	344
PRECONSTRUCTION PROGRAM	7,702		4,798	2,904
EQUIPMENT PROGRAM		2,921	2,910	11
CAPITAL OUTLAY PROGRAM		46,823	28,110	18,713
STORES INVENTORY	12,726		12,443	283
TOTAL AGENCY	**$ 172,049**	**$ 49,744**	**$ 183,388**	**$ 38,405**
DEPARTMENT OF STATE LANDS				
CENTRAL MANAGEMENT PROGRAM	472		197	275
RECLAMATION PROGRAM	1,728		861	867
RESOURCE DEVELOPMENT PGM	585		517	68
FORESTRY	2,412		1,758	654
TOTAL AGENCY	**$ 5,197**		**$ 3,333**	**$ 1,864**
DEPARTMENT OF LIVESTOCK				
CENTRALIZED SERVICES PROGRAM	339		339	0
DIAGNOSTIC LABORATORY PROGRAM	420		420	0
DISEASE CONTROL PROGRAM	542		452	90
INSPECTION & CONTROL PROGRAM	1,978		1,813	165
PREDATORY ANIMAL CONTROL PGM	303		186	117
RABIES CONTROL	15		15	0
TOTAL AGENCY	**$ 3,597**		**$ 3,225**	**$ 372**
DEPT OF NAT RESOURCES & CONSER				
CENTRALIZED SERVICES	361		338	23
OIL & GAS REGULATION	954		811	143
CONSERVATION DISTRICTS	1,107		678	429
WATER RESOURCES & PLANNING	46,530		21,023	25,507
WATER RESOURCES & PLANNING		8,436	2,290	6,146
ENERGY PLANNING	3,432		1,637	1,795
TOTAL AGENCY	**$ 52,384**	**$ 8,436**	**$ 26,777**	**$ 34,043**
DEPARTMENT OF REVENUE				
DIRECTORS OFFICE	115		115	0
CENTRALIZED SERVICES DIVISION	2,630		2,516	114

STATE OF MONTANA

SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - STATE SPECIAL REVENUE FUND
FOR FISCAL YEAR ENDING JUNE 30, 1986 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
DEPARTMENT OF REVENUE				
CENTRALIZED SERVICES DIVISION		$ 3,631	$ 1,751	$ 1,880
LEGAL DIVISION	5,225		1,876	3,349
INCOME TAX	6		5	1
CORPORATION TAX	7,807		5,697	2,110
MISCELLANEOUS TAXES	69		69	0
MOTOR FUEL TAX	703		681	22
TOTAL AGENCY	**$ 16,555**	**$ 3,631**	**$ 12,710**	**$ 7,476**
DEPARTMENT OF ADMINISTRATION				
TORT CLAIMS DIVISION	155		0	155
WORKERS COMPENSATION JUDGE	361		312	49
BONDS & TANS	1,715		58	1,657
BONDS & TANS		316	308	8
TOTAL AGENCY	**$ 2,231**	**$ 316**	**$ 678**	**$ 1,869**
LONG RANGE BUILDING PLAN				
DEPARTMENTS & AGENCIES	5,848		1,114	4,734
INSTITUTIONS	513		98	415
TOTAL AGENCY	**$ 6,361**		**$ 1,212**	**$ 5,149**
DEPARTMENT OF AGRICULTURE				
CENTRALIZED SERVICES DIVISION	531		288	243
ENVIRONMENTAL MANAGEMENT DIV	175		162	13
PLANT INDUSTRY DIVISION	420		332	88
TOTAL AGENCY	**$ 1,126**		**$ 782**	**$ 344**
DEPARTMENT OF INSTITUTIONS				
MANAGEMENT SERVICES DIVISION	1		0	1
ALCOHOL & DRUG ABUSE DIVISION	2,172		1,885	287
TOTAL AGENCY	**$ 2,173**		**$ 1,885**	**$ 288**
PINE HILLS SCHOOL				
CARE & CUSTODY DEPARTMENT	28		28	0

STATE OF MONTANA

SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - STATE SPECIAL REVENUE FUND
FOR FISCAL YEAR ENDING JUNE 30, 1986 (EXPRESSED IN THOUSANDS)

(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
PINE HILLS SCHOOL				
TOTAL AGENCY	**$ 28**		**$ 28**	**0**
MONTANA STATE PRISON				
CARE & CUSTODY	52		51	1
LICENSE PLATE FACTORY	355		331	24
TOTAL AGENCY	**$ 407**		**$ 382**	**$ 25**
SWAN RIVER YOUTH FOREST CAMP				
CARE & CUSTODY	27		27	0
TOTAL AGENCY	**$ 27**		**$ 27**	**0**
MONTANA STATE HOSPITAL				
TREATMENT SERVICES	1,598		1,596	2
TOTAL AGENCY	**$ 1,598**		**$ 1,596**	**$ 2**
DEPARTMENT OF COMMERCE				
BUS LIC & REG-PROGRAM SUPPORT	70		63	7
FINANCIAL DIVISION	784		691	93
MILK CONTROL BUREAU	288		284	4
POL BUREAU	2,217		1,623	594
POL BUREAU		100	0	100
DIVISION OF AERONAUTICS	595		517	78
DIVISION OF AERONAUTICS		10	10	0
TRANSPORTATION DIVISION	75		75	0
COMMUNITY ASSISTANCE PROGRAM	18,349		5,357	12,992
ACCTG & MGNT SERVICES	15,963		15,764	199
BUILDING CODES DIVISION	192		145	47
SCIENCE & TECH DEVELOP. BD.	1,964		306	1,658
LEGAL SERVICES	10		0	10
TOTAL AGENCY	**$ 40,507**	**$ 110**	**$ 24,835**	**$ 15,782**
LABOR AND INDUSTRY				
LABOR STANDARDS DIVISION	3		3	0
TOTAL AGENCY	**$ 3**		**$ 3**	**0**

STATE OF MONTANA

SCHEDULE OF EXPENDITURES AND TRANSFERS OUT

BUDGET AND ACTUAL (BUDGET BASIS) - STATE SPECIAL REVENUE FUND

FOR FISCAL YEAR ENDING JUNE 30, 1986 (EXPRESSED IN THOUSANDS)

(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
LABOR & IND-WORKERS' COMP				
ADMINISTRATION PROGRAM	$ 1,483		$ 1,479	$ 4
STATE INSURANCE FUND	3,189		3,139	50
INSURANCE COMPLIANCE PROGRAM	1,909		1,880	29
INSURANCE COMPLIANCE PROGRAM		558	557	1
SAFETY AND HEALTH PROGRAM	725		720	5
TOTAL AGENCY	**$ 7,306**	**$ 558**	**$ 7,775**	**$ 89**
DEPT SOCIAL & REHAB SERVICES				
SOCIAL SERVICES PROGRAM	10		2	8
MEDICAL ASSISTANCE	7,111		7,111	0
VOCATIONAL REHABILITATION PGM	675		666	9
TOTAL AGENCY	**$ 7,796**		**$ 7,779**	**$ 17**
Totals - All Agencies' Programs	$ 541,774	$ 83,212	$ 510,115	$ 114,871

STATE OF MONTANA

SCHEDULE OF EXPENDITURES AND TRANSFERS OUT

BUDGET AND ACTUAL (BUDGET BASIS) - FEDERAL SPECIAL REVENUE FUND

FOR FISCAL YEAR ENDING JUNE 30, 1986 (EXPRESSED IN THOUSANDS)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
GOVERNORS OFFICE				
EXECUTIVE OFFICE PROGRAM	$ 422		$ 174	$ 248
NORTHWEST REGIONAL POWER ACT	437		330	107
TOTAL AGENCY	**$ 859**		**$ 504**	**$ 355**
STATE AUDITORS OFFICE				
FOREST RES & FPGA TO COUNTIES	6,000		5,922	78
TOTAL AGENCY	**$ 6,000**		**$ 5,922**	**$ 78**
OFFICE OF PUBLIC INSTRUCTION				
BASIC SKILLS	163		117	46
BASIC SKILLS		8	6	2
VOCATIONAL EDUCATION	312		282	30
VOCATIONAL EDUCATION		75	68	7
ADMINISTRATIVE SERVICES	594		530	64
ADMINISTRATIVE SERVICES		117	106	11
SPECIAL SERVICES	1,100		947	153
SPECIAL SERVICES		226	195	31
DISTRI TO PUB SCH PGM	4,224		2,898	1,326
DISTRI TO PUB SCH PGM		802	591	211
TOTAL AGENCY	**$ 6,393**	**$ 1,228**	**$ 5,740**	**$ 1,881**
CRIME CONTROL DIVISION				
BOARD OF CRIME CONTROL	147		99	48
BOARD OF CRIME CONTROL ACTION	620		554	66
TOTAL AGENCY	**$ 767**		**$ 653**	**$ 114**
HIGHWAY TRAFFIC SAFETY				
HIGHWAY TRAFFIC SAFETY DIVISIO	1,615		1,438	177
TOTAL AGENCY	**$ 1,615**		**$ 1,438**	**$ 177**
DEPARTMENT OF JUSTICE				
LEGAL SERVICES DIVISION	18		15	3
DRIVER SERVICES BUREAU	65		41	24
HIGHWAY PATROL DIVISION	463		301	162

STATE OF MONTANA

SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - FEDERAL SPECIAL REVENUE FUND
FOR FISCAL YEAR ENDING JUNE 30, 1986 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
DEPARTMENT OF JUSTICE				
LAW ENFORCEMENT ACADEMY DIV.	$ 8		$ 5	$ 3
FIRE MARSHAL BUREAU	18		13	5
CRIMINAL INVESTIGATION BUREAU	84		49	35
SPECIAL INVESTIGATION SECTION	356		268	88
CENTRAL SERVICES DIVISION	3		0	3
FORENSIC SCIENCE DIVISION	6		4	2
TOTAL AGENCY	**$ 1,021**		**$ 696**	**$ 325**
PUBLIC SERVICE REGULATION				
PUBLIC SERVICE REGULATION PROG	62		30	32
TOTAL AGENCY	**$ 62**		**$ 30**	**$ 32**
COMMISSIONER OF HIGHER ED				
STUDENT ASSISTANCE PROGRAM	210		193	17
ED. FOR ECON. SECURITY GRANT	134		118	16
TALENT SEARCH	168		158	10
GUARANTEED STUDENT LOAN PROGRA	1,135		687	448
TOTAL AGENCY	**$ 1,647**		**$ 1,156**	**$ 491**
SCHOOL FOR THE DEAF & BLIND				
STUDENT SERVICES	30		30	0
EDUCATION	208		173	35
TOTAL AGENCY	**$ 238**		**$ 203**	**$ 35**
MONTANA ARTS COUNCIL				
PROMOTION OF THE ARTS	74		74	0
GRANTS	171		169	2
SPECIAL PROJECTS	140		140	0
TOTAL AGENCY	**$ 385**		**$ 383**	**$ 2**
LIBRARY COMMISSION				
REFERENCE & INFORMATION SER.	88		88	0
LIBRARY DEVELOPMENT	629		397	232
INSTITUTIONAL LIB SER PROGRAM	41		40	1

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - FEDERAL SPECIAL REVENUE FUND
FOR FISCAL YEAR ENDING JUNE 30, 1986 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
LIBRARY COMMISSION				
LIB SER FOR PHYS HANDI PGM	$ 85		$ 85	0
ADMINISTRATION	38		38	0
TECHNICAL SERVICES	36		35	1
TOTAL AGENCY	**$ 917**		**$ 683**	**$ 234**
MONTANA COUNCIL ON VOCATIONAL				
ADMINISTRATION PROGRAM	117		84	33
TOTAL AGENCY	**$ 117**		**$ 84**	**$ 33**
HISTORICAL SOCIETY				
ADMINISTRATION PROGRAM	26		26	0
LIBRARY PROGRAM	45		39	6
MUSEUM PROGRAM	39		7	32
HIST SITES PRESERVATION PROG	938		401	537
ARCHIVES PROGRAM	20		15	5
EDUCATION PROGRAM	8		5	3
TOTAL AGENCY	**$ 1,076**		**$ 493**	**$ 583**
FIRE SERVICES TRAINING SCHOOL				
FIRE SERVICES TRAINING SCHOOL	14		13	1
TOTAL AGENCY	**$ 14**		**$ 13**	**$ 1**
DEPT OF FISH, WILDLIFE & PARKS				
CENTRALIZED SERVICES DIVISION	276		210	66
FIELD SERVICES DIVISION	404		346	58
FISHERIES DIVISION	2,533		2,125	408
LAW ENFORCEMENT DIVISION	179		87	92
WILDLIFE DIVISION	3,048		2,840	208
RECREATION & PARKS DIVISION	502		428	74
CAPITAL OUTLAY	2,483		1,317	1,166
CAPITAL OUTLAY		522	522	0
CONSERVATION EDUCATION DIVISIO	130		115	15
ADMINISTRATION	188		182	6
TOTAL AGENCY	**$ 9,743**	**$ 522**	**$ 8,172**	**$ 2,093**

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - FEDERAL SPECIAL REVENUE FUND
FOR FISCAL YEAR ENDING JUNE 30, 1986 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
DEPT HEALTH & ENVIRON SCIENCES				
DIRECTOR'S PROGRAM	$ 963		$ 910	$ 53
FINANCIAL MANAGEMENT DIVISION	575		535	40
ENVIRONMENTAL SCIENCES DIV.	4,317		3,152	1,165
MANAGEMENT SERVICES DIV.	61		55	6
HLTH SER & MED FAC DIV.	11,932		11,622	310
TOTAL AGENCY	**$ 17,848**		**$ 16,274**	**$ 1,574**
DEPARTMENT OF HIGHWAYS				
GENERAL OPERATIONS PROGRAM	2,155		2,132	23
CONSTRUCTION PROGRAM	122,497		120,195	2,302
MAINTENANCE PROGRAM	448		56	392
PRECONSTRUCTION PROGRAM	6,756		6,691	65
TOTAL AGENCY	**$ 131,856**		**$ 129,074**	**$ 2,782**
DEPARTMENT OF STATE LANDS				
CENTRAL MANAGEMENT PROGRAM	173		168	5
RECLAMATION PROGRAM	7,569		5,257	2,312
FORESTRY	1,639		1,497	142
TOTAL AGENCY	**$ 9,381**		**$ 6,922**	**$ 2,459**
DEPARTMENT OF LIVESTOCK				
MILK & EGG PROGRAM	18		18	0
TOTAL AGENCY	**$ 18**		**$ 18**	**0**
DEPT OF NAT RESOURCES & CONSER				
CONSERVATION DISTRICTS	3		2	1
WATER RESOURCES & PLANNING	4,187		38	4,149
ENERGY PLANNING	1,695		972	723
TOTAL AGENCY	**$ 5,885**		**$ 1,012**	**$ 4,873**
DEPARTMENT OF REVENUE				
CENTRALIZED SERVICES DIVISION	7		7	0
LEGAL DIVISION	1,445		1,244	201
CORPORATION TAX	143		113	30

STATE OF MONTANA

SCHEDULE OF EXPENDITURES AND TRANSFERS OUT

BUDGET AND ACTUAL (BUDGET BASIS) - FEDERAL SPECIAL REVENUE FUND

FOR FISCAL YEAR ENDING JUNE 30, 1986 (EXPRESSED IN THOUSANDS)

(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
DEPARTMENT OF REVENUE				
TOTAL AGENCY	**$ 1,595**		**$ 1,364**	**$ 231**
LONG RANGE BUILDING PLAN				
DEPARTMENTS & AGENCIES	2,362		177	2,185
TOTAL AGENCY	**$ 2,362**		**$ 177**	**$ 2,185**
DEPARTMENT OF AGRICULTURE				
CENTRALIZED SERVICES DIVISION	31		12	19
ENVIRONMENTAL MANAGEMENT DIV	254		203	51
PLANT INDUSTRY DIVISION	31		26	5
AGRICULTURAL DEVELOPMENT	92		77	15
TOTAL AGENCY	**$ 408**		**$ 318**	**$ 90**
DEPARTMENT OF INSTITUTIONS				
MANAGEMENT SERVICES DIVISION	6		3	3
ALCOHOL & DRUG ABUSE DIVISION	1,186		1,085	101
MH & RES. SERVICES ADMIN.	1,349		1,346	3
TOTAL AGENCY	**$ 2,541**		**$ 2,434**	**$ 107**
MONTANA DEVELOPMENTAL CENTER				
SERVICE & SUPPORT	59		39	20
TOTAL AGENCY	**$ 59**		**$ 39**	**$ 20**
MOUNTAIN VIEW SCHOOL				
CARE & CUSTODY	114		106	8
TOTAL AGENCY	**$ 114**		**$ 106**	**$ 8**
PINE HILLS SCHOOL				
CARE & CUSTODY DEPARTMENT	246		230	16
TOTAL AGENCY	**$ 246**		**$ 230**	**$ 16**

STATE OF MONTANA

SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - FEDERAL SPECIAL REVENUE FUND
FOR FISCAL YEAR ENDING JUNE 30, 1986 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
MONTANA STATE PRISON				
CARE & CUSTODY	$ 134		$ 118	$ 16
PRISON INDSTRS TRAINING PROGRA	37		7	30
TOTAL AGENCY	**$ 171**		**$ 125**	**$ 46**
SWAN RIVER YOUTH FOREST CAMP				
CARE & CUSTODY	52		39	13
TOTAL AGENCY	**$ 52**		**$ 39**	**$ 13**
VETERANS HOME				
CARE & CUSTODY	566		528	38
TOTAL AGENCY	**$ 566**		**$ 528**	**$ 38**
MONTANA STATE HOSPITAL				
TREATMENT SERVICES	7		5	2
TOTAL AGENCY	**$ 7**		**$ 5**	**$ 2**
MONTANA YOUTH TREATMENT CENTER				
TREATMENT SERVICES	45		38	7
TOTAL AGENCY	**$ 45**		**$ 38**	**$ 7**
DEPARTMENT OF COMMERCE				
DIVISION OF AERONAUTICS		50	0	50
TRANSPORTATION DIVISION	6,256		4,530	1,726
BUSINESS ASSISTANCE PROGRAM	127		4	123
HOUSING ASSISTANCE PROGRAM	8,296		7,492	804
COMMUNITY ASSISTANCE PROGRAM	7,800		5,863	1,937
ECONOMIC POLICY & RESEARCH	40		39	1
TOTAL AGENCY	**$ 22,519**	**$ 50**	**$ 17,928**	**$ 4,641**
LABOR AND INDUSTRY				
APPEALS DIVISION	262		214	48

STATE OF MONTANA

SCHEDULE OF EXPENDITURES AND TRANSFERS OUT

BUDGET AND ACTUAL (BUDGET BASIS) - FEDERAL SPECIAL REVENUE FUND

FOR FISCAL YEAR ENDING JUNE 30, 1986 (EXPRESSED IN THOUSANDS)

(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
LABOR AND INDUSTRY				
HUMAN RIGHTS	126		111	15
TOTAL AGENCY	**$ 388**		**$ 325**	**$ 63**
LABOR & IND-EMPLOYMENT SERVS				
JOB SERVICE	10,798		10,528	270
UNEMPLOYMENT INSURANCE	2,945		2,893	52
CENTRALIZED SERVICE ADMIN	3,440		3,269	171
JOB TRAINING PARTNERSHIP ACT	9,185		7,912	1,273
TOTAL AGENCY	**$ 26,368**		**$ 24,602**	**$ 1,766**
LABOR & IND-WORKERS' COMP				
ADMINISTRATION PROGRAM	36		32	4
INSURANCE COMPLIANCE PROGRAM	150		0	150
SAFETY AND HEALTH PROGRAM	99		92	7
TOTAL AGENCY	**$ 285**		**$ 124**	**$ 161**
ADJUTANT GENERAL				
ADMINISTRATION PROGRAM	7		7	0
ARMY NATIONAL GUARD PGM	712		688	24
AIR NATIONAL GUARD PGM	811		756	55
DISASTER COORDINATION RESPONSE	274		253	21
EMERGENCY MANAGEMENT DEVELOPME	277		238	39
LOCAL CIVIL DEFENSE REIMB	2,150		1,801	349
TOTAL AGENCY	**$ 4,231**		**$ 3,743**	**$ 488**
DEPT SOCIAL & REHAB SERVICES				
ASSISTANCE PAYMENT PROGRAM	38,939		37,791	1,148
SOCIAL SERVICES PROGRAM	7,490		7,279	211
ELIGIBILITY DETERMINATION PGM	3,548		3,459	89
ADMINISTRATIVE & SUPPORT SVS	1,402		1,376	26
STATE ASSUMED COUNTY ADMIN.	357		357	0
MEDICAL ASSISTANCE	76,989		75,087	1,902
AUDIT AND PRO. COMPLIANCE DIV.	742		711	31
VOCATIONAL REHABILITATION PGM	4,181		3,944	237
DISABILITY DETERMINATION PGM	2,641		2,288	353
VISUAL SERVICES PRGM	748		725	23
DEVELOPMENTAL DISAB PROGRAM	13,520		13,392	128

STATE OF MONTANA

SCHEDULE OF EXPENDITURES AND TRANSFERS OUT

BUDGET AND ACTUAL (BUDGET BASIS) - FEDERAL SPECIAL REVENUE FUND

FOR FISCAL YEAR ENDING JUNE 30, 1986 (EXPRESSED IN THOUSANDS)

(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
DEPT SOCIAL & REHAB SERVICES				
DEVELOPE DISAB ADVIS COUNCIL	300		266	34
TOTAL AGENCY	**$ 150,857**		**$ 146,675**	**$ 4,182**
Totals - All Agencies' Programs	$ 408,656	$ 1,800	$ 378,270	$ 32,186

STATE OF MONTANA

SCHEDULE OF EXPENDITURES AND TRANSFERS OUT

BUDGET AND ACTUAL (BUDGET BASIS) - OTHER SPECIAL REVENUE FUNDS

FOR FISCAL YEAR ENDING JUNE 30, 1986 (EXPRESSED IN THOUSANDS)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
LEGISLATIVE AUDITOR				
AUDIT & EXAMINATION PROGRAM	$ 901		$ 867	$ 34
TOTAL AGENCY	**$ 901**		**$ 867**	**$ 34**
LEGISLATIVE COUNCIL				
MONTANA CODE ANNOTATED	969		313	656
TOTAL AGENCY	**$ 969**		**$ 313**	**$ 656**
JUDICIARY				
LAW LIBRARY	111		9	102
TOTAL AGENCY	**$ 111**		**$ 9**	**$ 102**
SECRETARY OF STATES OFFICE				
ADMINISTRATIVE CODE PROGRAM	164		159	5
TOTAL AGENCY	**$ 164**		**$ 159**	**$ 5**
COMMISSIONER OF POLITICAL PRAC				
ADMINISTRATION	1		0	1
TOTAL AGENCY	**$ 1**		**0**	**$ 1**
STATE AUDITORS OFFICE				
AUDIT DIVISION	307		304	3
TOTAL AGENCY	**$ 307**		**$ 304**	**$ 3**
OFFICE OF PUBLIC INSTRUCTION				
CHIEF STATE SCHOOL OFFICER	29		26	3
BASIC SKILLS	218		167	51
BASIC SKILLS		12	0	12
ADMINISTRATIVE SERVICES	502		425	77
TOTAL AGENCY	**$ 749**	**$ 12**	**$ 618**	**$ 143**

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - OTHER SPECIAL REVENUE FUNDS
FOR FISCAL YEAR ENDING JUNE 30, 1986 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
DEPARTMENT OF JUSTICE				
DRIVER SERVICES BUREAU	$ 79		$ 75	$ 4
CENTRAL SERVICES DIVISION	25		8	17
DATA PROCESSING DIVISION	188		188	0
TOTAL AGENCY	**$ 292**		**$ 271**	**$ 21**
SCHOOL FOR THE DEAF & BLIND				
EDUCATION	250		211	39
TOTAL AGENCY	**$ 250**		**$ 211**	**$ 39**
MONTANA ARTS COUNCIL				
SPECIAL PROJECTS	51		34	17
TOTAL AGENCY	**$ 51**		**$ 34**	**$ 17**
LIBRARY COMMISSION				
REFERENCE & INFORMATION SER.	3		2	1
LIBRARY DEVELOPMENT	73		0	73
NATURAL RESOURCES/HERITAGE	75		63	12
TOTAL AGENCY	**$ 151**		**$ 65**	**$ 86**
HISTORICAL SOCIETY				
ADMINISTRATION PROGRAM	225		83	142
LIBRARY PROGRAM	30		19	11
MUSEUM PROGRAM	98		47	51
ARCHIVES PROGRAM	43		34	9
EDUCATION PROGRAM	57		43	14
TOTAL AGENCY	**$ 453**		**$ 226**	**$ 227**
DEPT OF FISH, WILDLIFE & PARKS				
FIELD SERVICES DIVISION	15		4	11
WILDLIFE DIVISION	19		16	3
TOTAL AGENCY	**$ 34**		**$ 20**	**$ 14**

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - OTHER SPECIAL REVENUE FUNDS
FOR FISCAL YEAR ENDING JUNE 30, 1986 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
DEPT HEALTH & ENVIRON SCIENCES				
DIRECTOR'S PROGRAM	$ 6		0	$ 6
MANAGEMENT SERVICES DIV.	36		26	10
HLTH SER & MED FAC DIV.	94		63	31
TOTAL AGENCY	**$ 136**		**$ 89**	**$ 47**
DEPARTMENT OF LIVESTOCK				
BEEF & PORK RSRCH & MRKTG	570		509	61
TOTAL AGENCY	**$ 570**		**$ 509**	**$ 61**
DEPT OF NAT RESOURCES & CONSER				
CENTRALIZED SERVICES	172		170	2
ENERGY PLANNING	1,763		40	1,723
TOTAL AGENCY	**$ 1,935**		**$ 210**	**$ 1,725**
DEPARTMENT OF REVENUE				
INCOME TAX	4		4	0
PROPERTY VALUATION	25		25	0
TOTAL AGENCY	**$ 29**		**$ 29**	**0**
DEPARTMENT OF ADMINISTRATION				
ARCH & ENGINEERING PGM	537		531	6
TOTAL AGENCY	**$ 537**		**$ 531**	**$ 6**
LONG RANGE BUILDING PLAN				
DEPARTMENTS & AGENCIES	425		0	425
TOTAL AGENCY	**$ 425**		**0**	**$ 425**
DEPARTMENT OF AGRICULTURE				
CENTRALIZED SERVICES DIVISION	44		41	3
WHEAT RESEARCH & MARK UNIT	1,019		467	552
ENVIRONMENTAL MANAGEMENT DIV	1		1	0

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - OTHER SPECIAL REVENUE FUNDS
FOR FISCAL YEAR ENDING JUNE 30, 1986 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
DEPARTMENT OF AGRICULTURE				
PLANT INDUSTRY DIVISION	$ 1		$ 1	0
AGRICULTURAL DEVELOPMENT	69		40	29
TOTAL AGENCY	**$ 1,134**		**$ 550**	**$ 584**
DEPARTMENT OF INSTITUTIONS				
CORRECTIONS	4		3	1
TOTAL AGENCY	**$ 4**		**$ 3**	**$ 1**
MONTANA DEVELOPMENTAL CENTER				
SERVICE & SUPPORT	34		29	5
TOTAL AGENCY	**$ 34**		**$ 29**	**$ 5**
CENTER FOR THE AGED				
RESIDENTIAL SERVICES	7		4	3
TOTAL AGENCY	**$ 7**		**$ 4**	**$ 3**
EASTMONT TRAINING CENTER				
CARE & CUSTODY	3		3	0
TOTAL AGENCY	**$ 3**		**$ 3**	**0**
MOUNTAIN VIEW SCHOOL				
CARE & CUSTODY	2		2	0
TOTAL AGENCY	**$ 2**		**$ 2**	**0**
PINE HILLS SCHOOL				
CARE & CUSTODY DEPARTMENT	329		328	1
TOTAL AGENCY	**$ 329**		**$ 328**	**$ 1**

STATE OF MONTANA

SCHEDULE OF EXPENDITURES AND TRANSFERS OUT

BUDGET AND ACTUAL (BUDGET BASIS) - OTHER SPECIAL REVENUE FUNDS

FOR FISCAL YEAR ENDING JUNE 30, 1986 (EXPRESSED IN THOUSANDS)

(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
MONTANA STATE PRISON				
PRISON CANTEEN	$ 430		$ 404	$ 26
TOTAL AGENCY	**$ 430**		**$ 404**	**$ 26**
SWAN RIVER YOUTH FOREST CAMP				
CARE & CUSTODY	53		52	1
TOTAL AGENCY	**$ 53**		**$ 52**	**$ 1**
VETERANS HOME				
CARE & CUSTODY	864		855	9
TOTAL AGENCY	**$ 864**		**$ 855**	**$ 9**
MONTANA STATE HOSPITAL				
TREATMENT SERVICES	132		126	6
TOTAL AGENCY	**$ 132**		**$ 126**	**$ 6**
DEPARTMENT OF COMMERCE				
TRANSPORTATION DIVISION	30		12	18
MONTANA PROMOTION BUREAU	325		234	91
BUILDING CODES DIVISION	1,168		1,089	79
TOTAL AGENCY	**$ 1,523**		**$ 1,335**	**$ 188**
LABOR AND INDUSTRY				
COMMISSIONER OF LABOR & INDUST	187		182	5
APPEALS DIVISION	7		1	6
TOTAL AGENCY	**$ 194**		**$ 183**	**$ 11**
LABOR & IND-EMPLOYMENT SERVS				
CENTRALIZED SERVICE ADMIN	724		671	53
TOTAL AGENCY	**$ 724**		**$ 671**	**$ 53**

STATE OF MONTANA

SCHEDULE OF EXPENDITURES AND TRANSFERS OUT

BUDGET AND ACTUAL (BUDGET BASIS) - OTHER SPECIAL REVENUE FUNDS

FOR FISCAL YEAR ENDING JUNE 30, 1986 (EXPRESSED IN THOUSANDS)

(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
DEPT SOCIAL & REHAB SERVICES				
ASSISTANCE PAYMENT PROGRAM	$ 711		$ 701	$ 10
SOCIAL SERVICES PROGRAM	1,939		1,905	34
ELIGIBILITY DETERMINATION PGM	1,906		1,785	121
ADMINISTRATIVE & SUPPORT SVS	290		288	2
TOTAL AGENCY	**$ 4,846**		**$ 4,679**	**$ 167**
Totals - All Agencies' Programs	$ 18,344	$ 12	$ 13,689	$ 4,667

DEBT SERVICE FUNDS

Debt Service Funds are used to account for the accumulation of resources for the payment of general long-term debt principal and interest. A brief description of each Debt Service Fund follows.

Long-Range Building Program - This fund accounts for the payment of all long-range building program bonds and interest.

Highways Building Complex - This fund accounts for gasoline taxes pledged for the payment of principal and interest on bonds issued for the purpose of acquiring a site, erecting and equipping the Montana Department of Highways headquarters building complex.

Highway Revenue Bonds - This fund accounts for gasoline taxes pledged for payment of principal and interest on bonds issued for the purpose of constructing highways in Montana.

Department of Social and Rehabilitation Services (SRS) Building - The building occupied by SRS is owned by the Teachers' Retirement System and is leased to the State through a lease-purchase agreement. This fund accounts for the lease payments to the retirement system.

Water Conservation - This fund accounts for Water Conservation Bonds issued for four projects: Sidney, Little Dry, South Side Canal and Petrolia.

Renewable Resource - This fund accounts for coal severance taxes pledged to retire bonds that were never issued. Transfer of these funds to the State Special Revenue Fund was authorized to finance renewable resource projects.

Coal Tax Bonds - Monies in this fund are pledged for the payment of principal and interest on all State of Montana coal severance tax bonds.

Water Development - This fund accounts for coal severance taxes pledged to retire bonds sold to make loans/grants for water development projects and activities, as prioritized by the Legislature.

Airport Bonds - This fund accounts for the 1983 "B" bonds that are used to retire the balance of unloaned airport bonds.

STATE OF MONTANA
Combining Balance Sheet
Debt Service Funds
June 30, 1986
(Expressed in Thousands)

	LONG-RANGE BUILDING	HIGHWAYS BUILDING COMPLEX	HIGHWAY REVENUE BONDS	SRS BUILDING
ASSETS				
Cash and Cash Equivalents	$ 9,340	$ 491	$ 31,880	$ 86
Cash with Fiscal Agent	-	-	2,260	-
Receivables (Net)	2,351	5	589	-
Due from Other Governments	-	-	-	-
Due from Other Funds	120	-	-	-
Advances to Investment Pool	-	137	1,558	-
Long-Term Notes/Loans Receivable	-	-	-	-
Investments	-	300	9,149	-
TOTAL ASSETS	**$ 11,811**	**$ 933**	**$ 45,436**	**$ 86**
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable and Accruals	$ 966	$ 58	$ 1,777	$ -
Due to Other Funds	364	-	1,416	-
Deferred Revenue	1,672	-	-	-
Total Liabilities	**3,002**	**58**	**3,193**	**-**
Fund Balances:				
Reserved for Debt Service	8,809	875	42,243	86
Reserved for Long-Term Assets	-	-	-	-
Total Fund Balances	**8,809**	**875**	**42,243**	**86**
TOTAL LIABILITIES AND FUND BALANCES	**$ 11,811**	**$ 933**	**$ 45,436**	**$ 86**

RENEWABLE RESOURCE	COAL TAX BONDS	WATER DEVELOPMENT	AIRPORT BONDS	TOTALS June 30, 1986	TOTALS June 30, 1985
$ 89	$ 436	$ 632	$ 1	$ 42,955	$ 10,474
-	-	-	-	2,260	-
-	239	166	1	3,351	2,119
-	-	-	-	-	77
-	-	54	-	174	1,052
-	2,068	-	241	4,004	301
-	9,754	4,173	-	13,927	3,874
-	3,333	-	-	12,782	15,436
$ 89	**$ 15,830**	**$ 5,025**	**$ 243**	**$ 79,453**	**$ 33,333**
$ -	$ -	$ -	$ -	$ 2,801	$ 2,501
-	-	-	-	1,780	923
-	2	-	-	1,674	1,372
-	**2**	**-**	**-**	**6,255**	**4,796**
89	6,074	852	243	59,271	24,663
-	9,754	4,173	-	13,927	3,874
89	**15,828**	**5,025**	**243**	**73,198**	**28,537**
$ 89	**$ 15,830**	**$ 5,025**	**$ 243**	**$ 79,453**	**$ 33,333**

STATE OF MONTANA

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Debt Service Funds
For the Fiscal Year Ended June 30, 1986

(Expressed in Thousands)

	LONG-RANGE BUILDING	HIGHWAYS BUILDING COMPLEX	HIGHWAY REVENUE BONDS	SRS BUILDING
REVENUES:				
Taxes:				
Gas, Oil and Coal Production	$ -	$ -	$ -	$ -
Individual Income	18,944	-	-	-
Corporate	5,824	-	-	-
Cigarette and Tobacco	10,612	-	-	-
Charges for Services, Fines and Forfeits	624	-	-	196
Investment Earnings	-	54	605	-
Grants, Contracts and Donations	-	-	-	-
Other Revenues	273	-	-	-
Total Revenues	**36,277**	**54**	**605**	**196**
EXPENDITURES:				
Debt Service:				
Principal Retirement	5,208	340	39,075	61
Interest and Fiscal Charges	7,829	306	8,741	115
Total Expenditures	**13,037**	**646**	**47,816**	**176**
Excess of Revenues Over (Under) Expenditures	23,240	(592)	(47,211)	20
OTHER FINANCING SOURCES (USES):				
Bond Proceeds	-	-	43,675	-
Operating Transfers In	13,757	646	14,127	-
Operating Transfers Out	(35,639)	-	-	-
Total Other Financing Sources (Uses)	(21,882)	646	57,802	-
Difference Between Prior Year Encumbrances/Accruals and Actual	-	-	-	-
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	**1,358**	**54**	**10,591**	**20**
FUND BALANCES—July 1	7,448	821	14,152	66
Residual Equity Transfers	3	-	17,500	-
FUND BALANCES—June 30	**$ 8,809**	**$ 875**	**$ 42,243**	**$ 86**

					TOTALS	
					YEAR ENDED	
WATER CONSERVATION	RENEWABLE RESOURCE	COAL TAX BONDS	WATER DEVELOPMENT	AIRPORT BONDS	June 30, 1986	June 30, 1985
$ -	$ 526	$ 42,109	$ 526	$ -	$ 43,161	$ 13,326
-	-	-	-	-	18,944	19,916
-	-	-	-	-	5,824	6,307
-	-	-	-	-	10,612	11,004
-	-	-	-	-	820	1,373
-	-	1,362	512	17	2,550	856
-	-	-	-	-	-	3
-	-	118	2	-	393	349
-	**526**	**43,589**	**1,040**	**17**	**82,304**	**53,134**
11	-	-	160	-	44,855	7,557
17	46	1,586	472	-	19,112	14,284
28	**46**	**1,586**	**632**	**-**	**63,967**	**21,841**
(28)	480	42,003	408	17	18,337	31,293
-	-	-	-	-	43,675	-
28	-	2,438	185	-	31,181	20,253
-	(391)	(40,038)	(170)	(9)	(76,247)	(50,567)
28	(391)	(37,600)	15	(9)	(1,391)	(30,314)
-	-	-	-	-	-	(1,254)
-	**89**	**4,403**	**423**	**8**	**16,946**	**(275)**
-	-	5,401	414	235	28,537	24,691
-	-	6,024	4,188	-	27,715	4,121
$ -	**$ 89**	**$ 15,828**	**$ 5,025**	**$ 243**	**$ 73,198**	**$ 28,537**

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources used for the acquisition or construction of major governmental general fixed assets. A brief description of each Capital Project Fund follows.

Long-Range Building Program - This fund is maintained to account for resources received and expended for the State's long-range building program. The long-range building program includes costs for the acquisition, construction and improvement of major fixed assets financed by general obligation bonds and interest earned on bond proceeds.

Capital Land Grant - This fund accounts for revenues and expenditures from the capital land grant. Revenues are dedicated for the purpose of constructing capital buildings or additions thereto. Revenues may be transferred to a Debt Service Fund for the payment of principal and interest on bonds issued for capital building construction.

Federal and Private Construction Grants - This fund accounts for federal grants, private donations and federal matching funds that are restricted to general fixed asset construction.

STATE OF MONTANA

Combining Balance Sheet

Capital Projects Funds

June 30, 1986

(Expressed in Thousands)

	LONG-RANGE BUILDING	CAPITAL LAND GRANT	FED./PRIVATE CONST. GRANT	TOTALS June 30, 1986	TOTALS June 30, 1985
ASSETS					
Cash and Cash Equivalents	$ 16,983	$ 398	$ 264	$ 17,645	$ 20,362
Receivables (Net)	899	-	-	899	2,007
Interfund Loans Receivable	-	-	-	-	150
Due from Other Governments	-	-	-	-	52
Due from Other Funds	1	121	-	122	107
Advances to Investment Pool	11,110	-	-	11,110	11,612
Long-Term Notes/Loans Receivable	70	18	-	88	100
Investments	1,089	-	-	1,089	6,087
Other Assets	-	4	-	4	4
TOTAL ASSETS	**$ 30,152**	**$ 541**	**$ 264**	**$ 30,957**	**$ 40,481**
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable and Accruals	$ 229	$ -	$ 146	$ 375	$ 1,896
Interfund Loans Payable	-	-	-	-	150
Due to Other Funds	307	520	2	829	820
Deferred Revenue	90	-	116	206	758
Total Liabilities	**626**	**520**	**264**	**1,410**	**3,624**
Fund Balances:					
Reserved for Encumbrances	-	-	-	-	23
Unreserved	29,526	21	-	29,547	36,834
Total Fund Balances	**29,526**	**21**	**-**	**29,547**	**36,857**
TOTAL LIABILITIES AND FUND BALANCES	**$ 30,152**	**$ 541**	**$ 264**	**$ 30,957**	**$ 40,481**

STATE OF MONTANA

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Capital Projects Funds
For the Fiscal Year Ended June 30, 1986
(Expressed in Thousands)

				TOTALS	
				YEAR ENDED	
	LONG-RANGE BUILDING	CAPITAL LAND GRANT	FED./PRIVATE CONST. GRANT	June 30, 1986	June 30, 1985
REVENUES:					
Cigarette and Tobacco Tax	$ 2,525	$ -	$ -	$ 2,525	$ 2,629
Charges for Services, Fines and Forfeits	70	540	-	610	118
Investment Earnings	2,893	-	-	2,893	5,582
Sale of Doc., Mdse. and Property	-	-	-	-	351
Rentals, Leases and Royalties	-	-	-	-	483
Grants, Contracts and Donations	-	-	-	-	161
Federal	-	-	1,097	1,097	2,131
Other Revenues	667	-	21	688	-
Total Revenues	6,155	540	1,118	7,813	11,455
Less: Intrafund Revenues	-	-	-	-	(8)
Net Revenues	**6,155**	**540**	**1,118**	**7,813**	**11,447**
EXPENDITURES:					
Current:					
General Government	73	44	-	117	1,044
Capital Outlay	18,981	-	1,118	20,099	27,994
Total Expenditures	19,054	44	1,118	20,216	29,038
Less: Intrafund Expenditures	-	-	-	-	(8)
Net Expenditures	**19,054**	**44**	**1,118**	**20,216**	**29,030**
Excess of Revenues Over (Under) Expenditures	(12,899)	496	-	(12,403)	(17,583)
OTHER FINANCING SOURCES (USES):					
Bond Proceeds	8,550	-	-	8,550	-
Operating Transfers In	-	-	-	-	600
Operating Transfers Out	(2,704)	(750)	-	(3,454)	(2,744)
Total Other Financing Sources (Uses)	5,846	(750)	-	5,096	(2,144)
Difference Between Prior Year Encumbrances/Accruals and Actual	-	-	-	-	285
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	**(7,053)**	**(254)**	**-**	**(7,307)**	**(19,442)**
FUND BALANCES—July 1	36,582	275	-	36,857	56,299
Residual Equity Transfers	(3)	-	-	(3)	-
FUND BALANCES—June 30	**$ 29,526**	**$ 21**	**$ -**	**$ 29,547**	**$ 36,857**

STATE OF MONTANA

PROJECT-LENGTH SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - CAPITAL PROJECTS FUND TYPE
BEGINNING OF PROJECT TO JUNE 30, 1986 (EXPRESSED IN THOUSANDS)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
LEGISLATIVE COUNCIL				
INTERIM STUDIES & CONFERENCES	$ 5		$ 4	$ 1
TOTAL AGENCY	**$ 5**		**$ 4**	**$ 1**
DEPT OF FISH, WILDLIFE & PARKS				
CAPITAL OUTLAY	55		0	55
TOTAL AGENCY	**$ 55**		**0**	**$ 55**
DEPARTMENT OF STATE LANDS				
FORESTRY	44		0	44
TOTAL AGENCY	**$ 44**		**0**	**$ 44**
DEPARTMENT OF ADMINISTRATION				
ARCH & ENGINEERING PGM		537	537	0
GENERAL SERVICES PROGRAM	55		21	34
BONDS & TANS		750	750	0
TOTAL AGENCY	**$ 55**	**$ 1,287**	**$ 1,308**	**$ 34**
LONG RANGE BUILDING PLAN				
SEAL COAT ROOF-MIL AFFAIRS	34		34	0
PNT NAT GRD ARMRS-MIL AFFR	46		11	35
DIST FSTRY CMPLX-PLAINS-DNRC	200		0	200
FRST SHP-STRG BLDG-CLWTR-DNRS	40		0	40
LUBRECHT FOREST-UM	547		547	0
RETROFIT BLDGS-ENERGY-ADM	1,000		1,000	0
SEAL COAT ROOFS-MIL AFFAIRS	49		48	1
PAINT NAT GRD ARMR-MIL AFFAIRS	189		183	6
PLAN CLNCL PSYCH-UM	30		30	0
ADTN-JB SRV-KALISPELL-LBR & IN	350		349	1
BOZ JOB SERV OFFICE-LBR & IND	555		507	48
STU UNION BLDG REN & ADD-MSU	4,000		4,000	0
PE FACILITY ADDTN-MSU	2,500		2,497	3
GRANT-RETROFIT STATE BLDGS-ADM	262		262	0
CONST ARMORY-HARLOWTON-MIL	416		398	18
CONST ARMORY-HAVRE-MIL	505		468	37
AUX HEATING-FT HARRISON-MIL	8		0	8
ARMORY ADDITION-BUTTE-MIL	820		802	18
STU. UN BLDG REN & ADD - MSU	34		34	0

STATE OF MONTANA

PROJECT-LENGTH SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - CAPITAL PROJECTS FUND TYPE
BEGINNING OF PROJECT TO JUNE 30, 1986 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
LONG RANGE BUILDING PLAN				
CONSTRUCT ANIMAL LAB FACILITY-	$ 2,180		$ 2,175	$ 5
RETROFIT STATE BLDGS-ADM	2,250		2,250	0
PLAN NATURAL RESCOURCE BLDG-DN	400		400	0
CANYON FERRY REC AREA IMP-FW&P	125		124	1
CONST ARMORY-HARLOWTON-MIL	194		194	0
CONST ARMORY-HAVRE-MIL	217		212	5
AUX HEATING-FT HARRISON-MIL	3		0	3
MAINTENANCE-DNRC	25		22	3
"82" UNIVERSITY MAINTENANCE	988		988	0
"82" HNDCPPD ACCESSIBILITY-UNI	500		490	10
CONST CLINICAL PSYCH BLDG-UM	440		440	0
REMODEL COWAN HALL-NMC	150		150	0
MODIFY BTHRMS & LNDRY-EASTMONT	41		41	0
CONST MULTI-PRPS BLDG-SWN RVR	386		386	0
KITCHEN REPAIRS-VETS HOME	21		21	0
SPRINKLER SYSTM-VETS HOME	47		47	0
UPGRADE PERIMETER SEC-PRISON	59		59	0
ST. CAPITOL BLDG-RENOVATION	6,750		1,666	5,084
POLSON JOB SERVICE BLDG	200		146	54
HAMILTON JOB SERVICE BLDG	200		197	3
WORKERS COMPENSATION BLDG.	4,000		3,975	25
CONST. CHILDREN'S UNIT -BILLIN	2,626		2,626	0
VISUAL COMMUNICATIONS BLDG.	4,598		4,596	2
REM & ADDTN-CISEL HALL-EMC	1,190		1,190	0
CONSTRUCT FINE ARTS FACILITY-U	7,500		7,427	73
CONST NURSING FACILITY-VETS HM	1,740		1,737	3
SEC IMPR-CLOSE I&II-PRISON	68		68	0
RENOVATION-ADMIN BLDG PRISON	88		88	0
DUAL ELECTRONIC SYSTMS-FENCE	191		191	0
LIGHTING -PRISON	71		71	0
KITHCEN EXPANSION-PRISON	205		205	0
UPGRADE WATER SYSTEM-PRISON	400		365	35
CHILDRENS TRTMT UNIT-SUPLMT-BL	451		403	48
REPAIR & REPLACE ROOFS-MIL	39		39	0
REPLC EXHAUST SYSTM-HELENA-MIL	39		24	15
'83 ENRGY RTRFT-STATEWIDE-MIL	106		74	32
EMERGENCY OPERATION CNTR-HLN-M	805		777	28
LINFIELD HALL AUD. REPAIR-MSU	150		0	150
PLAN ENG/PHYSICAL SC COMPLEX-M	350		172	178
COMPLETE LIBRARY BASEMENT-MSU	300		0	300
PAVE HAD-MARSH LAB & AG CMPLX-	286		0	286
REMODEL HERRICK HALL-MSU	300		0	300
MACH SHOP & STRG CMPLX-BOZ AES	302		0	302
EXPND MUSEUM OF ROCKIES-MSU	6,000		280	5,720
ENG/LAB-CLASSROOM BLDG-MCMST	1,250		554	696
"83 ENERGY RETROFIT,PHIII-ADM	1,000		636	364
ORIGINAL GOV. MANSION IMPR-ADM	71		70	1
"83 LND ACQ & GRND IMPR-ADM	70		22	48
BLDG MDFCTNS-820 FRNT ST-ADM	120		120	0

STATE OF MONTANA

PROJECT-LENGTH SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - CAPITAL PROJECTS FUND TYPE
BEGINNING OF PROJECT TO JUNE 30, 1986 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
LONG RANGE BUILDING PLAN				
STORM DRNG DETENTION BSN-ADM	$ 250		$ 195	$ 55
'83 GT SPR HRTG ST PK IMPR-FWP	75		40	35
'83 BANNOCK ST PK IMP-FWP	158		148	10
CANYON FERRY RD IMPR-FWP	50		50	0
FT OWENS RENOVATION-FWP	20		18	2
'83 RF REP & MAJOR MTNCE-INST	1,047		760	287
FIRE SPRNKLRS & DET SYS-BLDR&W	186		186	0
CONST PORTE-COCHERE-CA	6		0	6
FRNTRE-YOUTH TRTMNT CTR-BLNGS-	11		0	11
REMODEL INFIRMARY-PRISON	200		200	0
INDUSTRIES BLDG-PRISON	700		539	161
SEWAGE STUDY- SWN RVR	7		7	0
FORENSIC BLDG IMP & ADDTN-WM S	1,678		591	1,087
MECH MTNCE-THREE ARMORIES-MIL	13		13	0
REPAIR & REPLACE ROOFS-MIL	135		66	69
STREET IMPR-ANACONDA-MIL	19		0	19
REPLC EXHAUST SYSTM-HELENA-MIL	4		3	1
'83 ENRGY RTRFT-STATEWIDE-MIL	5		4	1
EMERGENCY OPERATION CNTR-HLN-M	861		850	11
MODIFY PNT SHOP-FRSTRY-MSLA-LA	60		57	3
CAPITAL IMPR-STATEWIDE-LANDS	35		32	3
'83 RF REP & MJR MTNCE-UNIV.	1,494		1,402	92
PRIMARY ELECT DIST SYST UM	237		210	27
RELOCATE BUS. MACH. LAB-UM	20		20	0
MAJOR EXPANSION-PRISON	14,920		13,710	1,210
COMPLETE CISEL HALL REM-EMC	625		612	13
CONST DNRC BLDG-CAP CMPLX	6,958		6,724	234
ENGINEERING LAB/CLSSRM BLDG-MC	4,250		3,739	511
CONTROLLED ENVIRONMENT FACILIT	5,302		4,167	1,135
PURCHASE RIVERFRONT LAND-UM	500		500	0
1983 VET & PNR MEM BLDG ADDTN-	2,063		1,846	217
RENOVATE 4TH FLOOR-SOC SC BLDG	499		483	16
1983 COWAN HALL REMODEL-NMC	174		174	0
MOSS MANSION LAND PURCHASE-BIL	50		0	50
CONST FISH HATCHERY-CRESTON SP	455		122	333
RENOVATE FISH HTCHRY-GT FALLS-	1,900		1,832	68
RENOVATE FISH HTCHRY-BIG TIMBE	500		488	12
CONST GLASGOW REG HDQTRS BLDG-	220		220	0
EVERETT L LYNN LAND PURCH-ADM	91		0	91
EXCESS INT.EARNING -81BONDS		6,000	5,550	450
BOND COSTS	86		86	0
BOND COSTS	8		8	0
EXCESS INT.EARNINGS-'83 BONDS		7,500	2,300	5,200
BLDG MODIFCTNS-920 FR ST	120		117	3
FIRE PROTECTION-CAPITOL COMPLE	361		22	339
ASBESTOS SURVEY & ABTMNT-ST-WI	250		47	203
ROOF RPLCMNT-ASPEN HALL- SD&B	68		42	26
ROOF RPLCMNT-BLDG #7- BRSH	7		3	4
ROOF RPLCMNT-CAFTRA-MTN VW	12		9	3

STATE OF MONTANA

PROJECT-LENGTH SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL [BUDGET BASIS] - CAPITAL PROJECTS FUND TYPE
BEGINNING OF PROJECT TO JUNE 30, 1986 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
LONG RANGE BUILDING PLAN				
SANITARY SWR EXPNSN-PRISON	$ 250		$ 163	$ 87
FORENSIC BLDG-MT ST HOSP	4,327		0	4,327
FIRE SPRSSN HOOD- CNRY KTCHN-B	2		1	1
REMDL CTTGE #16- BRSH	33		0	33
'85' MTNCE & REP- MONT ST HOSP	61		0	61
BOILER REP- PINE HILLS & MSH-I	26		26	0
NEW FLOORING-PINE HILLS	10		8	2
LNDRY FACLTY IMPR-C FOR A	215		95	120
WAREHOUSE & EQPMNT-PRISON	196		159	37
EXPANSION EQPMNT-PRISON	189		124	65
RIPRAP PRKLY PR CRK-MTN VIEW	15		0	15
'85' RF RPLCMNTS-ST WIDE-MIL	293		88	205
CMBND SPRT MTNCE FAC-FT HRRSN-	34		2	32
MULTIPLE INDR FRNG RNGS-MIL	23		4	19
RETROFIT NONARMORY FAC'S-MIL	5		0	5
ARMORY STORAGE ADDTNS-ST WIDE-	11		0	11
ORGZTNL MTNCE SHOP-CHINOOK-MIL	25		0	25
ORGNZTNL MTNCE SHOP-BILLINGS-M	111		89	22
ORGNZTNL MTNCE SHOP-KLSPEL-MIL	40		0	40
ORGNZTNL MTNCE SHOP-MSLA-MIL	25		0	25
ORGNZTNL MTNCE SHOP-BELGRADE-M	25		0	25
ORGNZTNL MTNCE SHOP-CLBRTSN-MI	25		0	25
"85" PNT SHOPS & ARMORIES-ST W	67		1	66
ENLRG RMRY & SCRTY CMPONDS-MIL	25		0	25
'85' ROOF RPLCMNTS-MSU	191		9	182
'85' ROOF RPLCMNTS-UM	119		72	47
JHNSN/WLSN HALL BRK REP-MSU	1,976		82	1,894
HLTH & SAFETY PROJCTS-UM	398		0	398
HLTH & SAFETY PROJECTS-NMC	23		0	23
MAJ MTNCE & REP-EMC	35		0	35
'85' MAJ MTNCE & REP-UM	52		52	0
'85 MAJ MTNCE & REP-WMC	127		0	127
ELECT DSTRBTN, PH II-UM	550		169	381
BROCKMAN CNTR PARTITIONS-NMC	27		0	27
REPAIR PARAPET WALLS-EMC	25		0	25
FARM SHOP-AGRI EXPRMNT STTN-MS	120		107	13
RMDL ENVRNMNTL LAB- BZM- AGRI	80		1	79
ENERGY CONSRVTN RETROFIT-ST.WI	400		0	400
'85' RF RPLCMNTS=ST WIDE-MIL	103		56	47
CMBND SPRT MTNCE FAC-FT HRRSN-	1,845		0	1,845
MULTIPLE INDR FRNG RNGS-MIL	1,196		26	1,170
RETROFIT NONARMORY FAC'S-MIL	150		0	150
ARMORY STORAGE ADDTNS-ST WIDE-	426		0	426
ORGNZTNL MTNCE SHOP-CHINOOK-MI	632		0	632
ORGNZTNL MTNCE SHOP-BILLINGS-M	632		29	603
ORGNZTNL MTNCE SHOP-KLSPEL-MIL	675		0	675
ORGNZTNL MTNCE SHOP-MSLA=MIL	675		0	675
ORGNZTNL MTNCE SHOP-BELGRADE-M	675		0	675
ORGNZTNL MTNCE SHOP-CLBRTSN-MI	675		0	675

STATE OF MONTANA

PROJECT-LENGTH SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - CAPITAL PROJECTS FUND TYPE
BEGINNING OF PROJECT TO JUNE 30, 1986 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
LONG RANGE BUILDING PLAN				
'85' PNT SHPS & ARMRS-ST WIDE-	$ 72		$ 4	$ 68
ENLRG ARMRY & SCRTY CMPNDS-MIL	80		0	80
FEDERAL CONTINGENCY FUNDS-MIL	200		0	200
EMERGENCY OPERATION CENTER-MIL	150		86	64
WARM SPGS SEWER	375		16	359
WARM SPRINGS SEWER	125		1	124
TECH MISC IMP	100		98	2
A&E PRE-PLANNING	200		170	30
DEBT SERVICE PAYMENTS-WKRS COM		442	442	0
FISH HATCHERY EXPSN-MILES CITY	4,900		289	4,611
WASHOE PARK TROUT HATCHERY REP	250		15	235
UPGRADE BIG SPRINGS TROUT HTCH	300		14	286
SWIMMING POOL ADDITION-WMC	1,400		31	1,369
1985 BOND SALE EXPEND.-WMC	13		9	4
1985 BOND SALE EXPEND-FWP	52		34	18
LND ACQ & GRND IMPR-ADM	249		0	249
CLASSROOM RENOVATION-UM	98		36	62
EXCESS INT ERNGS-CAP RENO ACCT		1,347	1,178	169
SEWAGE TREATMNT FACILITY-SWN R	59		0	59
DEBT SERVICE PAYMENTS-WMC		26	26	0
TECH-SEWER LINE	91		77	14
FG-SLUICE BX MONUMENT	14		14	0
JUSTICE & LIBRARY BLDG-ADM	6,450		6,305	145
TOTAL AGENCY	**$ 140,785**	**$ 15,315**	**$ 105,288**	**$ 50,812**

PROPRIETARY FUNDS

Enterprise Funds - To account for operations (a) financed and operated similar to private business enterprises, where the intent of the Legislature is that costs are to be financed or recovered primarily through user charges, or (b) where the Legislature has decided that periodic determination of revenue earned, expenses incurred, or net income is appropriate.

Internal Service Funds - To account for the financing of goods and services provided by one department or agency to other departments, agencies or other governmental entities on a cost-reimbursement basis.

STATE OF MONTANA

SCHEDULE OF EXPENSES AND TRANSFERS OUT

BUDGET AND ACTUAL (BUDGET BASIS) - PROPRIETARY FUND TYPE

FOR FISCAL YEAR ENDING JUNE 30, 1986 (EXPRESSED IN THOUSANDS)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENSES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
GOVERNORS OFFICE				
OFFICE OF BDGET & PGM PLANNING	$ 74		$ 74	0
TOTAL AGENCY	**$ 74**		**$ 74**	**0**
DEPARTMENT OF JUSTICE				
AGENCY LEGAL SERVICES	468		455	13
CENTRAL SERVICES DIVISION	1		1	0
TOTAL AGENCY	**$ 469**		**$ 456**	**$ 13**
PUBLIC SERVICE REGULATION				
PUBLIC SERVICE REGULATION PROG	15		9	6
TOTAL AGENCY	**$ 15**		**$ 9**	**$ 6**
HISTORICAL SOCIETY				
MAGAZINE PROGRAM	446		432	14
TOTAL AGENCY	**$ 446**		**$ 432**	**$ 14**
FIRE SERVICES TRAINING SCHOOL				
FIRE SERVICES TRAINING SCHOOL	3		2	1
TOTAL AGENCY	**$ 3**		**$ 2**	**$ 1**
DEPT OF FISH, WILDLIFE & PARKS				
CENTRALIZED SERVICES DIVISION	1,900		1,740	160
RECREATION & PARKS DIVISION	270		228	42
TOTAL AGENCY	**$ 2,170**		**$ 1,968**	**$ 202**
DEPARTMENT OF HIGHWAYS				
HIGHWAY SERVICE REVOLVING	3,025		2,933	92
STATE MOTOR POOL	886		858	28
EQUIPMENT PROGRAM	12,720		12,673	47
TOTAL AGENCY	**$ 16,631**		**$ 16,464**	**$ 167**

STATE OF MONTANA

SCHEDULE OF EXPENSES AND TRANSFERS OUT

BUDGET AND ACTUAL (BUDGET BASIS) - PROPRIETARY FUND TYPE

FOR FISCAL YEAR ENDING JUNE 30, 1986 (EXPRESSED IN THOUSANDS)

(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENSES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
DEPARTMENT OF STATE LANDS				
CENTRAL MANAGEMENT PROGRAM	$ 212		$ 198	$ 14
TOTAL AGENCY	**$ 212**		**$ 198**	**$ 14**
DEPARTMENT OF REVENUE				
DIRECTORS OFFICE	72		72	0
RESEARCH & INFORMATION DIVISIO	420		420	0
LEGAL DIVISION	297		297	0
LIQUOR DIVISION	37,679		30,485	7,194
LIQUOR DIVISION		15,095	14,071	1,024
TOTAL AGENCY	**$ 38,468**	**$ 15,095**	**$ 45,345**	**$ 8,218**
DEPARTMENT OF ADMINISTRATION				
DIRECTOR'S OFFICE	42		42	0
"PUBLICATIONS AND GRAPHICS"	3,954		3,295	659
INFORMATION SERVICES DIVISION	15,201		14,992	209
GENERAL SERVICES PROGRAM	2,910		2,769	141
GENERAL SERVICES PROGRAM		122	122	0
PROPERTY AND SUPPLY BUREAU	3,549		2,745	804
MAIL & DISTRIBUTION BUREAU	1,021		970	51
CENTRALIZED SERVICES DIVISION	28		28	0
INVESTMENT PROGRAM	821		820	1
STATE PERSONNEL DIVISION	19,411		15,626	3,785
TORT CLAIMS DIVISION	9,773		2,390	7,383
TORT CLAIMS DIVISION		660	448	212
TOTAL AGENCY	**$ 56,710**	**$ 782**	**$ 44,247**	**$ 13,245**
LONG RANGE BUILDING PLAN				
DEPARTMENTS & AGENCIES	138		22	116
TOTAL AGENCY	**$ 138**		**$ 22**	**$ 116**
DEPARTMENT OF AGRICULTURE				
CENTRALIZED SERVICES DIVISION	2		2	0
PLANT INDUSTRY DIVISION	44		32	12
AGRICULTURAL DEVELOPMENT	101		46	55
TOTAL AGENCY	**$ 147**		**$ 80**	**$ 67**

STATE OF MONTANA
SCHEDULE OF EXPENSES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - PROPRIETARY FUND TYPE
FOR FISCAL YEAR ENDING JUNE 30, 1986 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENSES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
MONTANA STATE PRISON				
RANCH & DAIRY	$ 1,755		$ 1,134	$ 621
PRISON INDUSTRIES REVOLVING AC	510		500	10
PRISON INDSTRS TRAINING PROGRA	196		157	39
TOTAL AGENCY	**$ 2,461**		**$ 1,791**	**$ 670**
MONTANA YOUTH TREATMENT CENTER				
TREATMENT SERVICES	28		8	20
TOTAL AGENCY	**$ 28**		**$ 8**	**$ 20**
DEPARTMENT OF COMMERCE				
DIVISION OF AERONAUTICS	94		62	32
LOCAL GOVERNMENT AUDIT SERV.	1,012		924	88
ACCTG & MGNT SERVICES	328		199	129
(MT) HEALTH FACILITIES AUTHORI	131		127	4
(MT) ECONOMIC DEVELOPMENT BOAR	386		318	68
BOARD OF HOUSING	1,130		1,100	30
DIRECTOR'S OFFICE/MNGT SERVICE	745		673	72
LEGAL SERVICES	191		191	0
TOTAL AGENCY	**$ 4,017**		**$ 3,594**	**$ 423**
LABOR AND INDUSTRY				
APPEALS DIVISION	4		1	3
TOTAL AGENCY	**$ 4**		**$ 1**	**$ 3**

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ENTERPRISE FUNDS

Enterprise Funds are used to account for operations that provide goods or services to the public on a user charge basis. A brief description of each Enterprise Fund follows.

Liquor Stores - This fund accounts for activities related to the sale and distribution of alcoholic beverages within the State. Profits are used to finance General Fund expenditures.

Housing Authority - This fund is maintained to account for activities of the Board of Housing. The Board issues bonds and carries federally insured mortgage notes to provide qualified individuals with financing to purchase residential housing.

West Yellowstone Airport - This fund, administered by the Department of Commerce, accounts for operations of the airport at West Yellowstone. User airlines are assessed rent and landing fees.

State Employee Group Benefits - This fund receives employee (excluding higher education units) withholdings and State contributions to the medical self-insurance plan. The State contracted Montana Physicians Service to oversee the administrative functions of the program.

Economic Development Board - This operation is directed by a seven-member board, administered by the Department of Commerce. This fund accounts for the Board's Industrial Development Bond (IDB) Program and the Montana Cash Anticipation Program. Outstanding bonds may not aggregate greater than $75 million. These programs assist Montana's small businesses and local governments in obtaining long-term, fixed-rate financing through private Montana lending institutions.

Health Facilities Authority - This operation, administered by the Department of Commerce, began in fiscal year 1984. The purpose of the Authority, composed of a seven-member Board of Directors, is to contain future health care costs to the people of Montana through reduced debt financing of capital equipment and buildings for Montana's non-profit health care institutions. Bonded debt issuances are limited to $150 million per biennium. The only source of funding is fee revenues generated through loans made from bond proceeds.

Beginning Farm Loans - This operation began in fiscal year 1984 and is administered by the Department of Agriculture. The Montana Agriculture Loan Authority, composed of a nine-member Board, approves loans to qualifying beginning farmers/ranchers. Bonds may be issued by the Authority to finance the operations of this program; however, no bonds have been sold to date. The total amount of bonds outstanding at any one time may not exceed $40 million. Revenues are generated from application fees and loan origination fees.

Historical Society Merchandise Sales - This fund accounts for the Historical Society's sale of books, prints and postcards. Profits are transferred to the State Special Revenue Fund to finance artifact restoration and painting conservation costs.

Historical Society Magazine Sales - This fund accounts for revenues and expenses associated with the sale of the magazine, Montana Magazine of Western History.

Historical Society Press - This fund receives revenues from the sale of publications, books, monographs, brochures and catalogs published by the Historical Society.

Leaf-Cutting Bee - This fund accounts for fees collected annually from persons importing, possessing or controlling alfalfa leaf-cutting bees. Fees are used by the Department of Agriculture to reimburse costs incurred in certifying that the bees are disease free.

Fire Services Training - This fund accounts for revenues from the sale of textbooks, newsletters, patches, pens, caps and educational materials by the Fire Services Training School.

FWP Snowgroomer Rental - This fund accounts for activitites related to providing snowgroomer equipment to snowmobile clubs where users are charged for use of the equipment.

STATE OF MONTANA
Combining Balance Sheet
Enterprise Funds
June 30, 1986
(Expressed in Thousands)

	LIQUOR STORES	HOUSING AUTHORITY	WEST YELLOWSTONE AIRPORT	EMPLOYEES GROUP BENEFITS	ECONOMIC DEVELOPMENT BOARD	HEALTH FACILITIES AUTHORITY	BEGINNING FARM LOANS
ASSETS							
Cash and Cash Equivalents	$ 1,837	$ 25	$ 42	$ 233	$ 123	$ 115	$ 24
Cash with Fiscal Agent	-	-	-	-	1,898	-	-
Receivables (Net)	48	9,258	3	356	225	1	-
Due from Other Funds	3	7	-	686	1	-	-
Inventories	6,450	-	-	-	-	-	-
Advances to Investment Pool	-	-	-	9,710	-	-	-
Long-Term Notes/Loans Receivable	-	486,137	-	-	8,632	-	-
Investments	-	160,988	-	8,024	16,118	-	-
Restricted Assets	-	77,399	-	-	-	-	-
Buildings and Improvements	1,736	-	383	-	-	-	-
Equipment	765	138	98	9	9	19	1
Accumulated Depreciation	(824)	-	(268)	(1)	-	(2)	-
Other Assets	66	-	-	-	-	1	-
TOTAL ASSETS	**$ 10,081**	**$ 733,952**	**$ 258**	**$ 19,017**	**$ 27,006**	**$ 134**	**$ 25**
LIABILITIES AND FUND EQUITY							
Liabilities:							
Accounts Payable and Accruals	$ 1,006	$ 8,084	$ 1	$ 548	$ 485	$ -	$ -
Interfund Loans Payable	-	-	-	-	150	-	197
Due to Other Funds	906	20	3	12	21	6	-
Deferred Revenue	-	-	-	-	387	-	-
Installment Purchase/Lease Payable	7	-	-	-	-	-	-
Long-Term Notes/Bonds Payable (Net)	-	685,699	-	-	25,983	-	-
Compensated Absences Payable	292	34	-	8	15	6	5
Estimated Insurance Claims	-	-	-	3,179	-	-	-
Total Liabilities	**2,211**	**693,837**	**4**	**3,747**	**27,041**	**12**	**202**
Fund Equity:							
Contributed Capital	1,915	-	9	-	-	-	-
Retained Earnings:							
Reserved For: Debt Service	-	38,782	-	-	-	-	-
Employee Benefits	-	-	-	14,397	-	-	-
Unreserved	5,955	1,333	245	873	(35)	122	(177)
Total Fund Equity	**7,870**	**40,115**	**254**	**15,270**	**(35)**	**122**	**(177)**
TOTAL LIABILITIES AND FUND EQUITY	**$ 10,081**	**$ 733,952**	**$ 258**	**$ 19,017**	**$ 27,006**	**$ 134**	**$ 25**

HISTORICAL SOCIETY MERCHANDISE	HISTORICAL SOCIETY MAGAZINE	HISTORICAL SOCIETY PRESS	LEAF-CUTTING BEE	FIRE SERVICES TRAINING	FWP SNOWGROOMER RENTAL	TOTALS	
						June 30, 1986	June 30, 1985
$ 62	$ 10	$ 2	$ 11	$ -	$ 14	$ 2,498	$ 34,839
-	-	-	-	-	-	1,898	-
2	4	2	-	-	-	9,899	6,843
-	-	-	-	-	-	697	1,781
92	58	34	-	3	-	6,637	8,510
-	-	-	-	-	-	9,710	12,034
-	-	-	-	-	-	494,769	449,408
-	-	-	-	-	-	185,130	44,456
-	-	-	-	-	-	77,399	57,922
-	-	-	-	-	-	2,119	2,119
19	21	4	1	-	388	1,472	952
(9)	(15)	(1)	-	-	(34)	(1,154)	(1,031)
1	-	-	-	-	-	68	505
$ 167	**$ 78**	**$ 41**	**$ 12**	**$ 3**	**$ 368**	**$ 791,142**	**$ 618,338**
$ 8	$ 4	$ -	$ -	$ -	$ -	$ 10,136	$ 7,205
-	-	-	-	-	-	347	288
3	6	2	2	-	-	981	2,867
-	117	-	-	-	-	504	117
-	-	-	-	-	-	7	-
-	-	-	-	-	-	711,682	549,765
3	11	1	2	-	-	377	376
-	-	-	-	-	-	3,179	-
14	**138**	**3**	**4**	**-**	**-**	**727,213**	**560,618**
1	12	20	-	3	354	2,314	41
-	-	-	-	-	-	38,782	33,090
-	-	-	-	-	-	14,397	14,397
152	(72)	18	8	-	14	8,436	10,192
153	**(60)**	**38**	**8**	**3**	**368**	**63,929**	**57,720**
$ 167	**$ 78**	**$ 41**	**$ 12**	**$ 3**	**$ 368**	**$ 791,142**	**$ 618,338**

STATE OF MONTANA

Combining Statement of Revenues, Expenses and Changes in Retained Earnings
Enterprise Funds
For the Fiscal Year Ended June 30, 1986
(Expressed in Thousands)

	LIQUOR STORES	HOUSING AUTHORITY	WEST YELLOWSTONE AIRPORT	EMPLOYEES GROUP BENEFITS	ECONOMIC DEVELOPMENT BOARD	HEALTH FACILITIES AUTHORITY	BEGINNING FARM LOANS
OPERATING REVENUES:							
Charges for Services	$ 37,949	$ 1,083	$ -	$ 17,964	$ 124	$ 189	$ -
Taxes	9,568	-	-	-	-	-	-
Mortgage Loan/Investment Earnings	-	60,718	-	1,467	1,843	-	-
Other Operating Revenues	16	354	60	-	4	35	-
Total Operating Revenues	47,533	62,155	60	19,431	1,971	224	-
Less: Intrafund Revenues	-	-	-	-	-	-	-
Net Operating Revenues	**47,533**	**62,155**	**60**	**19,431**	**1,971**	**224**	**-**
OPERATING EXPENSES:							
Personal Services	4,012	328	36	110	235	73	32
Contractual Services	1,212	2,294	3	491	32	9	7
Supplies and Materials	26,730	5	5	1	5	3	-
Benefits	-	-	-	18,050	-	-	-
Depreciation	110	5	10	1	-	1	-
Utilities and Rent	906	30	5	2	10	5	2
Communications	130	28	1	8	15	5	2
Repair and Maintenance	68	2	1	-	1	1	-
Debt Service	-	54,288	-	-	1,801	-	-
Other Operating Expenses	68	61	5	15	39	19	1
Total Operating Expenses	33,236	57,041	66	18,678	2,138	116	44
Less: Intrafund Expenses	-	-	-	-	-	-	-
Net Operating Expenses	**33,236**	**57,041**	**66**	**18,678**	**2,138**	**116**	**44**
Operating Income (Loss)	14,297	5,114	(6)	753	(167)	108	(44)
NONOPERATING REVENUES (EXPENSES):							
Gain (Loss) on Sale of Fixed Assets	(4)	-	-	-	-	-	-
Net Gain on Investment Transactions	-	23	-	-	-	-	-
Total Nonoperating Revenues (Expenses)	(4)	23	-	-	-	-	-
Income (Loss) before Operating Transfers	14,293	5,137	(6)	753	(167)	108	(44)
Operating Transfers In (Out)	(14,071)	-	10	-	189	-	-
Difference Between Prior Year Commitments/Accruals and Actual	-	-	-	-	-	-	-
Net Income (Loss)	**222**	**5,137**	**4**	**753**	**22**	**108**	**(44)**
RETAINED EARNINGS—JULY 1—AS Previously Reported	7,648	34,978	241	14,517	(57)	305	(133)
Prior Period Adjustments	(1,915)	-	-	-	-	(291)	-
RETAINED EARNINGS—JULY 1—As Restated	5,733	34,978	241	14,517	(57)	14	(133)
Residual Equity Transfers	-	-	-	-	-	-	-
RETAINED EARNINGS—JUNE 30	**$ 5,955**	**$ 40,115**	**$ 245**	**$ 15,270**	**$ (35)**	**$ 122**	**$ (177)**

HISTORICAL SOCIETY MERCHANDISE	HISTORICAL SOCIETY MAGAZINE	HISTORICAL SOCIETY PRESS	LEAF-CUTTING BEE	FIRE SERVICES TRAINING	FWP SNOWGROOMER RENTAL	TOTALS YEAR ENDED	
						June 30, 1986	June 30, 1985
$ 174	$ 137	$ 9	$ 21	$ 2	$ 49	$ 57,701	$ 57,785
-	-	-	-	-	-	9,568	9,715
-		-	-	-	-	64,028	54,264
-	-	20	1	-	-	490	384
174	137	29	22	2	49	131,787	122,148
-	-	-	-	-	-	-	(400)
174	**137**	**29**	**22**	**2**	**49**	**131,787**	**121,748**
35	74	49	27	-	-	5,011	4,739
6	26	5	1	-	-	4,086	4,029
119	75	11	2	2	-	26,958	27,810
-	-	-	-	-	-	18,050	13,585
1	-	-	-	-	35	163	94
4	2	-	-	-	-	966	950
4	5	1	3	-	-	202	181
1	1	-	-	-	-	75	76
-	-	-	-	-	-	56,089	45,061
6	2	2	3	-	-	221	224
176	185	68	36	2	35	111,821	96,749
-	-	-	-	-	-	-	(400)
176	**185**	**68**	**36**	**2**	**35**	**111,821**	**96,349**
(2)	(48)	(39)	(14)	-	14	19,966	25,399
(1)	(1)	-	-	-	-	(6)	(6)
-	-	-	-	-	-	23	-
(1)	(1)	-	-	-	-	17	(6)
(3)	(49)	(39)	(14)	-	14	19,983	25,393
-	41	-	-	-	-	(13,831)	(14,168)
-	-	-	-	-	-	-	(449)
(3)	**(8)**	**(39)**	**(14)**	**-**	**14**	**6,152**	**10,776**
165	(64)	57	22	-	-	57,679	46,936
-	-	-	-	-	-	(2,206)	(3)
165	(64)	57	22	-	-	55,473	46,933
(10)	-	-	-	-	-	(10)	(30)
$ 152	**$ (72)**	**$ 18**	**$ 8**	**$ -**	**$ 14**	**$ 61,615**	**$ 57,679**

STATE OF MONTANA
Combining Statement of Changes in Financial Position
Enterprise Funds
For the Fiscal Year Ended June 30, 1986
(Expressed in Thousands)

	LIQUOR STORES	HOUSING AUTHORITY	WEST YELLOWSTONE AIRPORT	EMPLOYEES GROUP BENEFITS	ECONOMIC DEVELOPMENT BOARD	HEALTH FACILITIES AUTHORITY	BEGINNING FARM LOANS
SOURCES OF WORKING CAPITAL:							
Operations:							
Net Income (Loss)	$ 222	$ 5,137	$ 4	$ 753	$ 22	$ 108	$ (44)
Items Not Requiring Working Capital:							
Depreciation	110	5	10	1	-	1	-
Working Capital Provided by Operations	332	5,142	14	754	22	109	(44)
Decrease in Long-Term Investments	-	-	-	4,142	-	-	-
Disposal of Fixed Assets	64	-	7	-	1	-	-
Decrease in Noncurrent Receivables	-	24,146	-	-	25	9,377	-
Increase in Noncurrent Payables	7	199,997	-	3,179	26,112	-	-
Contributed Capital	1,915	-	-	-	-	-	-
Increase in Compensated Absences Payable	-	6	-	1	9	2	-
Prior Period Adjustments	-	-	-	-	-	886	-
Total Sources of Working Capital	**2,318**	**229,291**	**21**	**8,076**	**26,169**	**10,374**	**(44)**
USES OF WORKING CAPITAL:							
Increase in Long-Term Investments	-	134,030	-	10,168	14,889	-	-
Acquisition of Fixed Assets	84	130	7	1	9	11	-
Decrease of Noncurrent Payables	-	19,160	-	-	3,589	40,318	-
Increase in Noncurrent Receivables	-	-	-	-	8,657	-	-
Purchase of Mortgage Loans	-	73,293	-	-	-	-	-
Payment of Issuance Costs	-	3,290	-	-	-	-	-
Transfers to Other Funds	-	-	-	-	-	-	-
Decrease in Compensated Absences Payable	11	-	7	-	-	-	1
Prior Period Adjustments	1,915	-	-	-	-	1,177	-
Residual Equity Transfers	-	-	-	-	-	-	-
Total Uses of Working Capital	**2,010**	**229,903**	**14**	**10,169**	**27,144**	**41,506**	**1**
Net Increase (Decrease) in Working Capital	**$ 308**	**$ (612)**	**$ 7**	**$ (2,093)**	**$ (975)**	**$ (31,132)**	**$ (45)**
ELEMENTS OF NET INCREASE (DECREASE) IN WORKING CAPITAL:							
Cash and Cash Equivalents	$ 667	$ (47)	$ 2	$ (69)	$ (2,177)	$ (30,683)	$ 2
Cash with Fiscal Agent	-	-	-	-	1,898	-	-
Receivables (Net)	5	2,991	3	337	124	(401)	-
Due from Other Funds	(990)	7	-	(54)	(37)	(5)	-
Inventories	(1,878)	-	-	-	-	-	-
Advances to Investment Pool	-	-	-	(2,317)	(7)	-	-
Other Assets	1	-	-	-	-	(439)	-
Accounts Payable	587	(3,551)	-	14	(377)	397	9
Interfund Loans Payable	-	-	-	-	-	-	(59)
Due to Other Funds	1,916	(20)	2	(4)	(12)	(1)	3
Deferred Revenue	-	8	-	-	(387)	-	-
Net Increase (Decrease) in Working Capital	**$ 308**	**$ (612)**	**$ 7**	**$ (2,093)**	**$ (975)**	**$ (31,132)**	**$ (45)**

HISTORICAL SOCIETY MERCHANDISE	HISTORICAL SOCIETY MAGAZINE	HISTORICAL SOCIETY PRESS	LEAF-CUTTING BEE	FIRE SERVICE TRAINING	FWP SNOWGROOMER RENTAL	TOTALS	
						June 30, 1986	June 30, 1985
$ (3)	$ (8)	$ (39)	$ (14)	$ -	$ 14	$ 6,152	$ 10,776
1	-	-	-	-	35	163	94
(2)	(8)	(39)	(14)	-	49	6,315	10,870
-	-	-	-	-	-	4,142	33,315
1	1	-	-	-	1	75	22
-	-	-	-	-		33,548	9,627
-	-	-	-	-	-	229,295	120,421
1	2	-	-	3	353	2,274	32
-	2	-	1	-	-	21	22
-	-	-	-	-	-	886	15
-	**(3)**	**(39)**	**(13)**	**3**	**403**	**276,556**	**174,324**
-	-	-	-	-	-	159,087	782
1	3	2	-	-	389	637	132
-	-	-	-	-	-	63,067	10,660
-	-	-	-	-	-	8,657	12,245
-	-	-	-	-	-	73,293	109,177
-	-	-	-	-	-	3,290	1,988
-	-	-	-	-	-	-	30
-	-	-	-	-	-	19	55
-	-	-	-	-	-	3,092	18
10	-	-	-	-	-	10	-
11	**3**	**2**	**-**	**-**	**389**	**311,152**	**135,087**
$ (11)	**$ (6)**	**$ (41)**	**$ (13)**	**$ 3**	**$ 14**	**$ (34,596)**	**$ 39,237**
$ (1)	$ -	$ (38)	$ (11)	$ -	$ 14	$ (32,341)	$ 32,714
-	-	-	-	-	-	1,898	-
-	-	(1)	(2)	-	-	3,056	(716)
-	-	(5)	-	-	-	(1,084)	831
(5)	3	4	-	3	-	(1,873)	893
-	-	-	-	-	-	(2,324)	6,641
1	-	-	-	-	-	(437)	442
(6)	(4)	-	-	-	-	(2,931)	(1,653)
-	-	-	-	-	-	(59)	(155)
-	3	(1)	-	-	-	1,886	(619)
-	(8)	-	-	-	-	(387)	859
$ (11)	**$ (6)**	**$ (41)**	**$ (13)**	**$ 3**	**$ 14**	**$ (34,596)**	**$ 39,237**

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INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for operations that provide goods or services to other agencies or programs of a government on a cost-reimbursement basis. A brief description of each Internal Service Fund follows.

Motor Pool - State employees' transportation is provided by the Department of Highways through a pool of vehicles. The costs of operating the Motor Pool are recovered through rental rates charged to user agencies based on the average operating costs per mile for each class of vehicle.

Central Data Processing - State agencies are assessed a fee for their use of centralized data processing, systems design services, records storage and microfilm services provided by the Department of Administration.

Local Government Audits - Political subdivisions are assessed a fee for audit services provided them by the State.

Prison Ranch - The ranch at the Montana State Prison is maintained to provide employment for inmates. Products produced by the ranch are primarily sold to other State institutions.

Publications and Graphic Arts - Agencies are assessed a fee for duplicating, typesetting, forms design and graphic arts services.

Communications - State agencies and private users are assessed a fee for their use of the State's phone system.

Buildings and Grounds - Rent proceeds from State agencies are used to pay maintenance, security and landscaping costs for State-owned property.

Admin. Insurance - This fund accounts for the State's self-insurance program (including liability, property, flood, etc.) which is administered by the Department of Administration.

Legal Services - Three funds are used to account for legal services. The Attorney General's Office, Department of Justice, charges other State agencies a fee for legal assistance. The Departments of Administration and Commerce fund their legal services programs with intradepartmental fees for legal services provided.

Office Supplies and Equipment - Five internal service funds under the Departments of Fish, Wildlife and Parks and Highways are used to account for inter-and intradepartmental sales and use of office supplies and equipment.

Central Stores - This fund is used by the Department of Administration to account for intragovernmental sales of office supplies and paper products and federal surplus property sales to State agencies, local governments and certain other non-profit organizations.

Commerce Centralized Services - Funds are used by the Department of Commerce for administrative services provided on a cost recovery basis to programs within the department.

Mail and Messenger - This fund accounts for costs associated with intrastate government mail and package delivery.

Personnel Training - This fund accounts for fees charged State agencies for the provision of training to State employees. The fees are used by the Department of Administration to pay instructors and purchase training materials.

Investment Division - This fund accounts for costs associated with operations of the Board of Investments. The Board assists agencies in the investment of State funds. Costs of administering and accounting for each investment fund are allocated based on the dollar volume of investments held by user agencies.

Prison Industries - This fund accounts for proceeds from the Prison's sale of goods and services, such as license plates and upholstery repair, to State agencies and local governments.

Aircraft Operations - This fund, administered by the Department of State Lands, accounts for fees charged to users of State aircraft.

PSC Audit Reimbursement - This fund is used by the Public Service Commission to account for out of state travel.

OBPP Statewide Audit - This fund, administered by the Governor's Office, administers the appropriation for the Statewide audit.

MYTC Employee Meals - Montana Youth Treatment Center accounts for employee purchased meals in this fund.

STATE OF MONTANA
Combining Balance Sheet
Internal Service Funds
June 30, 1986
(Expressed in Thousands)

	MOTOR POOL	CENTRAL DATA PROCESSING	LOCAL GOVERNMENT AUDITS	PRISON RANCH	PUBLICATIONS AND GRAPHICS	COMMUNI-CATIONS	BUILDINGS AND GROUNDS
ASSETS							
Cash and Cash Equivalents	$ 353	$ 1,393	$ 91	$ 207	$ 5	$ 1,136	$ 566
Cash with Fiscal Agent	-	-	-	-	-	2,906	-
Receivables (Net)	-	2	152	42	8	24	-
Interfund Loans Receivable	-	-	-	35	-	-	-
Due from Other Funds	119	677	8	38	367	474	13
Inventories	-	23	-	1,445	48	-	-
Advances to Investment Pool	-	-	-	-	-	-	-
Long-Term Notes/Loans Receivable	-	27	-	-	33	-	-
Investments	-	-	-	-	-	-	-
Land	236	-	-	690	-	-	-
Buildings and Improvements	-	-	-	937	-	-	-
Equipment	1,638	6,696	30	831	1,791	8,794	183
Other Fixed Assets	-	-	-	-	-	-	-
Construction in Progress	-	-	-	-	-	-	-
Accumulated Depreciation	(774)	(3,264)	(9)	(922)	(912)	(2,163)	(83)
Intangible Assets	-	-	-	-	5	7	1
Other Assets	-	2	-	-	-	-	-
TOTAL ASSETS	**$ 1,572**	**$ 5,556**	**$ 272**	**$ 3,303**	**$ 1,345**	**$ 11,178**	**$ 680**
LIABILITIES AND FUND EQUITY							
Liabilities:							
Accounts Payable and Accruals	$ 17	$ 100	$ 5	$ 27	$ 270	$ 657	$ 112
Interfund Loans Payable	-	-	-	93	-	-	-
Due to Other Funds	18	249	61	30	56	33	65
Deferred Revenue	-	8	6	-	-	-	-
Installment Purchase/Lease Payable	-	2,515	-	-	499	9,568	-
Property Held in Trust	-	-	-	-	-	-	-
Compensated Absences Payable	9	310	80	40	41	36	60
Total Liabilities	**44**	**3,182**	**152**	**190**	**866**	**10,294**	**237**
Fund Equity:							
Contributed Capital	1	-	-	-	-	4	5
Retained Earnings:							
Reserved for Insurance Claims	-	-	-	-	-	-	-
Unreserved	1,527	2,374	120	3,113	479	880	438
Total Fund Equity	**1,528**	**2,374**	**120**	**3,113**	**479**	**884**	**443**
TOTAL LIABILITIES AND FUND EQUITY	**$ 1,572**	**$ 5,556**	**$ 272**	**$ 3,303**	**$ 1,345**	**$ 11,178**	**$ 680**

ADMIN. INSURANCE	ADMIN. LEGAL	JUSTICE LEGAL	COMMERCE LEGAL	FWP OFFICE SUPPLY	FWP EQUIPMENT	FWP WAREHOUSE INVENTORY	HIGHWAYS PHOTO AND DATA PROC.
$ 4,481	$ 3	$ 67	$ 21	$ 37	$ 636	$ 37	$ 150
-	-	-	-	-	-	-	-
473	-	10	-	-	-	-	6
-	-	-	-	-	-	-	-
59	-	24	14	4	127	24	521
-	-	-	-	21	-	206	-
1,851	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
3,427	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
39	-	43	2	76	3,757	-	1,766
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
(7)	-	(16)	-	(34)	(1,706)	-	(1,103)
2	-	-	-	-	-	-	-
1	-	-	-	-	-	-	-
$ 10,326	**$ 3**	**$ 128**	**$ 37**	**$ 104**	**$ 2,814**	**$ 267**	**$ 1,340**
$ 23	$ -	$ 3	$ -	$ 2	$ 340	$ 10	$ 17
-	-	-	-	-	-	-	200
65	3	22	17	8	6	5	185
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
23	3	29	18	9	9	4	277
111	**6**	**54**	**35**	**19**	**355**	**19**	**679**
-	-	-		25	68	75	599
10,215	-	-	-	-	-	-	-
-	(3)	74	2	60	2,391	173	62
10,215	**(3)**	**74**	**2**	**85**	**2,459**	**248**	**661**
$ 10,326	**$ 3**	**$ 128**	**$ 37**	**$ 104**	**$ 2,814**	**$ 267**	**$ 1,340**

Continued on next page.

STATE OF MONTANA
Combining Balance Sheet—Continued
Internal Service Funds
June 30, 1986
(Expressed in Thousands)

	HIGHWAY EQUIPMENT	ADMIN. CENTRAL STORES	COMMERCE CENTRAL SERVICES	MAIL AND MESSENGER	PERSONNEL TRAINING	INVESTMENT DIVISION
ASSETS						
Cash and Cash Equivalents	$ 3,074	$ 36	$ 112	$ 53	$ 18	$ 121
Cash with Fiscal Agent	-	-	-	-	-	-
Receivables (Net)	24	7	-	1	4	-
Interfund Loans Receivable	200	-	-	-	-	-
Due from Other Funds	4,455	165	97	70	13	-
Inventories	-	823	-	-	-	-
Advances to Investment Pool	-	-	-	-	-	-
Long-Term Notes/Loans Receivable	-	-	-	-	-	-
Investments	-	-	-	-	-	-
Land	-	-	-	-	-	-
Buildings and Improvements	-	-	-	-	-	-
Equipment	41,978	132	55	46	15	57
Other Fixed Assets	-	-	10	-	-	-
Construction in Progress	135	-	-	-	-	-
Accumulated Depreciation	(16,557)	(46)	(14)	(17)	(4)	(21)
Intangible Assets	-	-	-	-	-	-
Other Assets	-	-	-	-	-	-
TOTAL ASSETS	**$ 33,309**	**$ 1,117**	**$ 260**	**$ 153**	**$ 46**	**$ 157**
LIABILITIES AND FUND EQUITY						
Liabilities:						
Accounts Payable and Accruals	$ 121	$ 397	$ 3	$ 1	$ 3	$ 19
Interfund Loans Payable	-	-	-	-	-	-
Due to Other Funds	3,396	28	38	13	8	50
Deferred Revenue	-	-	38	-	-	-
Installment Purchase/Lease Payable	-	-	-	6	-	14
Property Held in Trust	-	5	117	-	2	-
Compensated Absences Payable	417	24	57	15	10	41
Total Liabilities	**3,934**	**454**	**253**	**35**	**23**	**124**
Fund Equity:						
Contributed Capital	28	-	-	-	1	-
Retained Earnings:						
Reserved for Insurance Claims	-	-	-	-	-	-
Unreserved	29,347	663	7	118	22	33
Total Fund Equity	**29,375**	**663**	**7**	**118**	**23**	**33**
TOTAL LIABILITIES AND FUND EQUITY	**$ 33,309**	**$ 1,117**	**$ 260**	**$ 153**	**$ 46**	**$ 157**

PRISON INDUSTRIES	AIRCRAFT OPERATIONS	PSC AUDIT REIMB.	OBPP STATEWIDE AUDIT	MYTC EMPLOYEE MEALS	TOTALS	
					June 30, 1986	June 30, 1985
$ 111	$ 184	$ 4	$ 27	$ 2	$ 12,925	$ 10,446
-	-	-	-	-	2,906	3,580
13	-	-	32	-	798	876
-	-	-	-	-	235	40
54	21	-	-	-	7,344	4,516
91	-	-	-	-	2,657	1,405
-	-	-	-	-	1,851	611
-	-	-	-	-	60	92
-	-	-	-	-	3,427	3,412
-	-	-	-	-	926	925
287	-	-	-	-	1,224	1,133
185	-	-	-	-	68,114	62,422
-	-	-	-	-	10	1,481
-	-	-	-	-	135	990
(173)	-	-	-	-	(27,825)	(26,716)
-	-	-	-	-	15	2
-	-	-	-	-	3	187
$ 568	**$ 205**	**$ 4**	**$ 59**	**$ 2**	**$ 74,805**	**$ 65,402**
$ 22	$ 59	$ -	$ -	$ -	$ 2,208	$ 1,375
35	-	-	-	-	328	143
14	2	-	-	2	4,374	1,682
5	-	-	-	-	57	51
-	-	-	-	-	12,602	12,283
-	-	-	-	-	124	147
10	1	-	-	-	1,523	1,460
86	**62**	**-**	**-**	**2**	**21,216**	**17,141**
255	-	-	-	-	1,061	2,906
-	-	-	-	-	10,215	8,967
227	143	4	59	-	42,313	36,388
482	**143**	**4**	**59**	**-**	**53,589**	**48,261**
$ 568	**$ 205**	**$ 4**	**$ 59**	**$ 2**	**$ 74,805**	**$ 65,402**

STATE OF MONTANA

Combining Statement of Revenues, Expense and Changes in Retained Earnings

Internal Service Funds

For the Fiscal Year Ended June 30, 1986

(Expressed in Thousands)

	MOTOR POOL	CENTRAL DATA PROCESSING	LOCAL GOVERNMENT AUDITS	PRISON RANCH	PUBLICATIONS AND GRAPHICS	COMMUNI-CATIONS	BUILDINGS AND GROUNDS
OPERATING REVENUES:							
Charges for Services	$ 653	$ 7,112	$ 994	$ 1,119	$ 3,260	$ 7,410	$ 2,803
Investment Earnings	-	-	-	-	-	210	-
Grants, Contracts and Donations	-	-	-	-	-	-	-
Total Operating Revenues	653	7,112	994	1,119	3,260	7,620	2,803
Less: Intrafund Revenues	-	-	-	-	-	-	-
Net Operating Revenues	**653**	**7,112**	**994**	**1,119**	**3,260**	**7,620**	**2,803**
OPERATING EXPENSES:							
Personal Services	132	3,201	810	378	617	477	1,024
Contractual Services	29	159	36	21	32	193	810
Supplies and Materials	141	635	10	447	1,821	9	84
Benefits	-	-	-	-	-	-	-
Depreciation	169	1,473	2	87	300	745	13
Utilities and Rent	8	838	29	55	64	16	907
Communications	1	292	22	4	25	5,064	8
Repair and Maintenance	35	486	8	67	278	17	260
Other Operating Expenses	-	243	209	35	98	242	22
Total Operating Expenses	515	7,327	1,126	1,094	3,235	6,763	3,128
Less: Intrafund Expenses	-	-	-	-	-	-	-
Net Operating Expenses	**515**	**7,327**	**1,126**	**1,094**	**3,235**	**6,763**	**3,128**
Operating Income (Loss)	138	(215)	(132)	25	25	857	(325)
NONOPERATING REVENUES (EXPENSES):							
Gain (Loss) on Sale of Fixed Assets	11	(48)	-	-	(11)	-	-
Increase (Decrease) in Value of Livestock	-	-	-	(146)	-	-	-
Debt Interest and Fiscal Charges	-	-	-	-	(60)	(925)	-
Federal Indirect Cost Recoveries	-	-	-	-	-	-	-
Other Nonoperating Rev. (Exp.)	-	-	-	-	-	-	-
Total Nonoperating Revenues (Expenses)	11	(48)	-	(146)	(71)	(925)	-
Income (Loss) before Operating Transfers	149	(263)	(132)	(121)	(46)	(68)	(325)
Operating Transfers In (Out)	-	-	175	-	-	-	26
Difference Between Prior Year Commitments/Accruals and Actual	-	-	-	-	-	-	-
Net Income (Loss)	**149**	**(263)**	**43**	**(121)**	**(46)**	**(68)**	**(299)**
RETAINED EARNINGS-JULY 1-As Previously Reported	1,378	2,637	77	3,234	525	948	720
Prior Period Adjustments	-	-	-	-	-	-	17
RETAINED EARNINGS—JULY 1—As Restated	1,378	2,637	77	3,234	525	948	737
RETAINED EARNINGS—JUNE 30	**$ 1,527**	**$ 2,374**	**$ 120**	**$ 3,113**	**$ 479**	**$ 880**	**$ 438**

ADMIN. INSURANCE	ADMIN. LEGAL	JUSTICE LEGAL	COMMERCE LEGAL	FWP OFFICE SUPPLY	FWP EQUIPMENT	FWP WAREHOUSE INVENTORY	HIGHWAYS PHOTO AND DATA PROC.
$ 2,734	$ 42	$ 455	$ 174	$ 170	$ 1,235	$ 232	$ 2,614
881	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
3,615	42	455	174	170	1,235	232	2,614
-	-	-	-	-	-	-	-
3,615	**42**	**455**	**174**	**170**	**1,235**	**232**	**2,614**
237	41	342	161	65	64	25	1,848
700	-	53	3	2	61	3	637
7	1	10	2	50	377	207	203
1,405	-	-	-	-	-	-	-
5	-	4	-	6	328	-	39
7	2	9	3	1	3	1	8
8	1	4	3	18	1	1	25
3	-	4	-	24	304	-	59
14	-	22	19	2	7	-	89
2,386	45	448	191	168	1,145	237	2,908
-	-	-	-	-	-	-	-
2,386	**45**	**448**	**191**	**168**	**1,145**	**237**	**2,908**
1,229	(3)	7	(17)	2	90	(5)	(294)
-	-	-	-	-	(27)	-	(15)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	(27)	-	(15)
1,229	(3)	7	(17)	2	63	(5)	(309)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,229	**(3)**	**7**	**(17)**	**2**	**63**	**(5)**	**(309)**
8,967	-	67	19	58	2,328	178	371
19	-	-	-	-	-	-	-
8,986	-	67	19	58	2,328	178	371
$ 10,215	**$ (3)**	**$ 74**	**$ 2**	**$ 60**	**$ 2,391**	**$ 173**	**$ 62**

Continued on next page.

STATE OF MONTANA

Combining Statement of Revenues, Expenses and Changes in Retained Earnings—Continued

Internal Service Funds

For the Fiscal Year Ended June 30, 1986

(Expressed in Thousands)

	HIGHWAY EQUIPMENT	ADMIN. CENTRAL STORES	COMMERCE CENTRAL SERVICES	MAIL AND MESSENGER	PERSONNEL TRAINING	INVESTMENT DIVISION
OPERATING REVENUES:						
Charges for Services	$ 10,551	$ 2,634	$ 81	$ 985	$ 116	$ 1
Investment Earnings	-	-	-	-	-	848
Grants, Contracts and Donations	-	-	-	-	-	-
Total Operating Revenues	10,551	2,634	81	985	116	849
Less: Intrafund Revenues	-	-	-	-	-	-
Net Operating Revenues	**10,551**	**2,634**	**81**	**985**	**116**	**849**
OPERATING EXPENSES:						
Personal Services	3,288	348	519	174	93	559
Contractual Services	161	23	70	4	41	162
Supplies and Materials	2,690	2,232	11	1	7	3
Benefits	-	-	-	-	-	-
Depreciation	1,653	15	7	4	1	5
Utilities and Rent	139	76	19	20	7	39
Communications	44	14	12	748	4	24
Repair and Maintenance	1,558	14	5	4	1	13
Other Operating Expenses	436	79	23	17	5	14
Total Operating Expenses	9,969	2,801	666	972	159	819
Less: Intrafund Expenses	-	-	-	-	-	-
Net Operating Expenses	**9,969**	**2,801**	**666**	**972**	**159**	**819**
Operating Income (Loss)	582	(167)	(585)	13	(43)	30
NONOPERATING REVENUES (EXPENSES):						
Gain (Loss) on Sale of Fixed Assets	147	(1)	-	(2)	-	-
Increase (Decrease) in Value of Livestock	-	-	-	-	-	-
Debt Interest and Fiscal Charges	-	-	-	-	-	(2)
Federal Indirect Cost Recoveries	-	-	648	-		-
Other Nonoperating Rev. (Exp.)	-	-	-	-	-	-
Total Nonoperating Revenues (Expenses)	147	(1)	648	(2)	-	(2)
Income (Loss) before Operating Transfers	729	(168)	63	11	(43)	28
Operating Transfers In (Out)	2,910	-	-	-	31	-
Difference Between Prior Year Commitments/Accruals and Actual	-	-	-	-	-	-
Net Income (Loss)	**3,639**	**(168)**	**63**	**11**	**(12)**	**28**
RETAINED EARNINGS-JULY 1-As Previously Reported	22,463	831	(56)	107	34	5
Prior Period Adjustments	3,245	-	-	-	-	-
RETAINED EARNINGS—JULY 1—As Restated	25,708	831	(56)	107	34	5
RETAINED EARNINGS—JUNE 30	**$ 29,347**	**$ 663**	**$ 7**	**$ 118**	**$ 22**	**$ 33**

PRISON INDUSTRIES	AIRCRAFT OPERATIONS	PSC AUDIT REIMBUR.	OBPP STATEWIDE AUDIT	MYTC EMPLOYEE MEALS	L&I COPY FEES	TOTALS	
						YEAR ENDED	
						June 30, 1986	June 30, 1985
$ 749	$ 183	$ 8	$ 133	$ 8	$ 1	$ 46,457	$ 44,453
-	-	-	-	-	-	1,939	2,069
-	-	-	-	-	-	-	34
749	183	8	133	8	1	48,396	46,556
-	-	-	-	-	-	-	(57)
749	**183**	**8**	**133**	**8**	**1**	**48,396**	**46,499**
180	14	-	-	-	-	14,597	13,901
20	-	-	74	-	1	3,295	3,099
375	48	-	-	8	-	9,379	7,777
-	-	-	-	-	-	1,405	2,460
42	-	-	-	-	-	4,898	4,640
16	-	-	-	-	-	2,267	1,819
6	-	-	-	-	-	6,329	5,412
29	146	-	-	-	-	3,315	3,043
150	-	9	-	-	-	1,735	1,701
818	208	9	74	8	1	47,220	43,852
-	-	-	-	-	-	-	(57)
818	**208**	**9**	**74**	**8**	**1**	**47,220**	**43,795**
(69)	(25)	(1)	59	-	-	1,176	2,704
-	-	-	-	-	-	54	135
-	-	-	-	-	-	(146)	13
-	-	-	-	-	-	(987)	(1,370)
-	-	-	-	-	-	648	-
-	-	-	-	-	-	-	12
-	-	-	-	-	-	(431)	(1,210)
(69)	(25)	(1)	59	-	-	745	1,494
-	-	5	-	-	-	3,147	21
-	-	-	-	-	-	-	2,006
(69)	**(25)**	**4**	**59**	**-**	**-**	**3,892**	**3,521**
296	168	-	-	-	-	45,355	42,394
-	-	-	-	-	-	3,281	(560)
296	160	-	-	-	-	48,636	41,834
$ 227	**$ 143**	**$ 4**	**$ 59**	**$ -**	**$ -**	**$ 52,528**	**$ 45,355**

STATE OF MONTANA

Combining Statement of Changes in Financial Position
Internal Service Funds
For the Fiscal Year Ended June 30, 1986
(Expressed in Thousands)

	MOTOR POOL	CENTRAL DATA PROCESSING	LOCAL GOVERNMENT AUDITS	PRISON RANCH	PUBLICATIONS AND GRAPHICS	COMMUNI-CATIONS	BUILDINGS AND GROUNDS
SOURCES OF WORKING CAPITAL:							
Operations:							
Net Income (Loss)	$ 149	$ (263)	$ 43	$ (121)	$ (46)	$ (68)	$ (299)
Items not Requiring Working Capital:							
Depreciation	169	1,473	2	87	300	745	13
Working Capital Provided by Operations	318	1,210	45	(34)	254	677	(286)
Decrease in Long-Term Investments	-	-	-	-	-	-	-
Disposal of Fixed Assets	50	268	-	1,484	20	214	-
Decrease in Noncurrent Receivables	-	15	-	-	17	-	-
Increase in Noncurrent Payables	-	4,441	-	-	329	900	-
Contributed Capital	-	-	-	-	-	-	-
Increase in Compensated Absences Payable	-	-	9	-	-	5	17
Prior Period Adjustments	-	-	-	-	-	-	17
Total Sources of Working Capital	**368**	**5,934**	**54**	**1,450**	**620**	**1,796**	**(252)**
USES OF WORKING CAPITAL:							
Increase in Long-Term Investments	-	-	-	-	-	-	-
Acquisition of Fixed Assets	481	2,514	7	135	313	447	43
Decrease in Noncurrent Payables	-	3,267	-	-	371	1,712	-
Contributed Capital	-	-	-	-	-	-	-
Decrease in Compensated Absences Payable	11	-	-	5	-	-	-
Prior Period Adjustments	-	-	-	-	-	-	-
Total Uses of Working Capital	**492**	**5,781**	**7**	**140**	**684**	**2,159**	**43**
Net Increase (Decrease) in Working Capital	**$ (124)**	**$ 153**	**$ 47**	**$ 1,310**	**$ (64)**	**$ (363)**	**$ (295)**
ELEMENTS OF NET INCREASE (DECREASE) IN WORKING CAPITAL:							
Cash and Cash Equivalents	$ (102)	$ (70)	$ 39	$ 133	$ (15)	$ 666	$ (189)
Cash with Fiscal Agent	-	-	-	-	-	(674)	-
Receivables (Net)	(7)	(1)	(13)	10	7	8	(1)
Interfund Loans Receivable	-	-	-	(5)	-	-	-
Due from Other Governments	-	-	-	-	-	-	-
Due from Other Funds	(21)	4	(20)	(85)	199	97	(4)
Inventories	-	(8)	-	1,321	-	-	-
Advance to Investment Pool	-	-	-	-	-	-	-
Other Assets	-	2	-	-	-	-	(185)
Accounts Payable	-	270	3	14	(265)	(458)	(35)
Interfund Loans Payable	3	-	-	(93)	-	-	-
Due to Other Funds	3	(36)	6	15	4	(2)	112
Deferred Revenue	-	(8)	32	-	6	-	-
Property Held in Trust	-	-	-	-	-	-	7
Net Increase (Decrease) in Working Capital	**$ (124)**	**$ 153**	**$ 47**	**$ 1,310**	**$ (64)**	**$ (363)**	**$ (295)**

ADMIN. INSURANCE	ADMIN. LEGAL	JUSTICE LEGAL	COMMERCE LEGAL	FWP OFFICE SUPPLY	FWP EQUIPMENT	FWP WAREHOUSE INVENTORY	HIGHWAYS PHOTO AND DATA PROC.
$ 1,229	$ (3)	$ 7	$ (17)	$ 2	$ 63	$ (5)	$ (309)
5	-	4	-	6	328	-	39
1,234	(3)	11	(17)	8	391	(5)	(270)
5,414	-	-	-	-	-	-	-
1	-	-	5	-	258	-	98
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	25	-	75	100
-	3	-	1	1	-	1	-
19	-	-	-	-	-	-	-
6,668	**-**	**11**	**(11)**	**34**	**649**	**71**	**(72)**
5,429	-	-	-	-	-	-	-
27	-	-	7	1	602	-	239
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
2	-	-	-	-	-	-	2
-	-	-	-	-	-	-	-
5,458	**-**	**-**	**7**	**1**	**602**	**-**	**241**
$ 1,210	**$ -**	**$ 11**	**$ (18)**	**$ 33**	**$ 47**	**$ 71**	**$ (313)**
$ 36	$ 3	$ 38	$ 1	$ 16	$ 280	$ 17	$ (283)
-	-	-	-	-	-	-	-
(78)	-	(27)	-	-	(1)	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
(99)	-	-	(12)	(6)	18	2	178
-	-	-	-	1	-	(40)	-
1,240	-	-	-	-	-	-	-
1	-	(1)	-	-	-	-	(1)
(13)	-	2	-	1	(249)	(6)	(5)
-	-	-	-	25	-	75	(200)
123	(3)	(1)	(7)	(4)	(1)	23	(2)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
$ 1,210	**$ -**	**$ 11**	**$ (18)**	**$ 33**	**$ 47**	**$ 71**	**$ (313)**

Continued on next page.

STATE OF MONTANA

Combining Statement of Changes in Financial Position - Continued
Internal Service Funds
For the Fiscal Year Ended June 30, 1986
(Expressed in Thousands)

	HIGHWAY EQUIPMENT	ADMIN. CENTRAL STORES	COMMERCE CENTRAL SERVICES	MAIL AND MESSENGER	PERSONNEL TRAINING	INVESTMENT DIVISION
SOURCES OF WORKING CAPITAL:						
Operations:						
Net Income (Loss)	$ 3,639	$ (168)	$ 63	$ 11	$ (12)	$ 28
Items not Requiring Working Capital:						
Depreciation	1,653	15	7	4	1	5
Working Capital Provided by Operations	5,292	(153)	70	15	(11)	33
Decrease in Long-Term Investments	-	-	-	-	-	-
Disposal of Fixed Assets	282	1	-	2	-	-
Decrease in Noncurrent Receivables	-	-	-	-	-	-
Increase in Noncurrent Payables	-	-	-	7	-	-
Contributed Capital	28	-	-	-	-	-
Increase in Compensated Absences Payable	28	4	7	-	1	6
Prior Period Adjustments	3,245	-	-	-	-	-
Total Sources of Working Capital	**8,875**	**(148)**	**77**	**24**	**(10)**	**39**
USES OF WORKING CAPITAL:						
Increase in Long-Term Investments	-	-	-	-	-	-
Acquisition of Fixed Assets	5,202	22	32	10	5	1
Decrease in Noncurrent Payables	-	-	-	1	-	5
Contributed Capital	2,072	-	-	-	-	-
Decrease in Compensated Absences Payable	-	-	-	-	-	-
Prior Period Adjustments	-	-	-	-	-	-
Total Uses of Working Capital	**7,274**	**22**	**32**	**11**	**5**	**6**
Net Increase (Decrease) in Working Capital	**$ 1,601**	**$ (170)**	**$ 45**	**$ 13**	**$ (15)**	**$ 33**
ELEMENTS OF NET INCREASE (DECREASE) IN WORKING CAPITAL:						
Cash and Cash Equivalents	$ 1,748	$ (33)	$ 70	$ 17	$ (11)	$ (24)
Cash with Fiscal Agent	-	-	-	-	-	-
Receivables (Net)	10	(18)	-	(3)	2	-
Interfund Loans Receivable	200	-	-	-	-	-
Due from Other Governments	-	-	-	-	-	-
Due from Other Funds	2,516	43	21	(3)	4	(1)
Inventories	-	(48)	-	-	-	-
Advance to Investment Pool	-	-	-	-	-	-
Other Assets	-	-	-	-	-	-
Accounts Payable	17	(130)	(1)	1	(2)	73
Interfund Loans Payable	-	-	-	-	-	-
Due to Other Funds	(2,890)	(2)	(7)	1	(6)	(15)
Deferred Revenue	-	-	(38)	-	-	-
Property Held in Trust	-	18	-	-	(2)	-
Net Increase (Decrease) in Working Capital	**$ 1,601**	**$ (170)**	**$ 45**	**$ 13**	**$ (15)**	**$ 33**

PRISON INDUSTRIES	AIRCRAFT OPERATIONS	PSC AUDIT REIMBUR.	OBPP STATEWIDE AUDIT	MYTC EMPLOYEE MEALS	TOTALS June 30, 1986	TOTALS June 30, 1985
$ (69)	$ (25)	$ 4	$ 59	$ -	$ 3,892	$ 3,521
42	-	-	-	-	4,898	4,640
(27)	(25)	4	59	-	8,790	8,161
-	-	-	-	-	5,414	2,513
147	-	-	-	-	2,830	811
-	-	-	-	-	32	63
-	-	-	-	-	5,677	1,526
-	-	-	-	-	228	2,906
1	1	-	-	-	85	137
-	-	-	-	-	3,281	85
121	**(24)**	**4**	**59**	**-**	**26,337**	**16,202**
-	-	-	-	-	5,429	2,607
7	-	-	-	-	10,095	7,981
-	-	-	-	-	5,356	1,469
-	-	-	-	-	2,072	-
-	-	-	-	-	20	24
-	-	-	-	-	-	645
7	**-**	**-**	**-**	**-**	**22,972**	**12,726**
$ 114	**$ (24)**	**$ 4**	**$ 59**	**$ -**	**$ 3,365**	**$ 3,476**
$ 73	$ 36	$ 4	$ 27	$ 2	$ 2,479	$ 1,765
-	-	-	-	-	(674)	446
2	-	-	32	-	(78)	190
-	-	-	-	-	195	-
-	-	-	-	-	-	34
4	(7)	-	-	-	2,828	398
26	-	-	-	-	1,252	264
-	-	-	-	-	1,240	(616)
-	-	-	-	-	(184)	166
1	(51)	-	-	-	(833)	501
5	-	-	-	-	(185)	326
1	(2)	-	-	(2)	(2,692)	68
2	-	-	-	-	(6)	(37)
-	-	-	-	-	23	(29)
$ 114	**$ (24)**	**$ 4**	**$ 59**	**$ -**	**$ 3,365**	**$ 3,476**

TRUST AND AGENCY FUNDS

To account for assets held by the State in a trustee capacity or as an agent for individuals, private organizations, other governments or other funds. These include: (a) Expendable Trust Funds; (b) Nonexpendable Trust Funds; (c) Pension Trust Funds; and (d) Agency Funds.

STATE OF MONTANA

Combining Balance Sheet

All Trust and Agency Fund Types

June 30, 1986

(Expressed in Thousands)

	EXPENDABLE TRUSTS	NON-EXPENDABLE TRUSTS	PENSION TRUSTS	AGENCY	TOTALS	
					June 30, 1986	June 30, 1985
ASSETS						
Cash and Cash Equivalents	$ 21,600	$ 5,578	$ 101,805	$ 389,238	$ 518,221	$ 483,303
Receivables (Net)	32,891	1,016	27,974	248	62,129	69,344
Interfund Loans Receivable	237	-	-	3,000	3,237	237
Due from Other Governments	-	-	-	257	257	94
Due from Other Funds	733	2,934	7,540	27,446	38,653	57,008
Inventories	-	-	6	-	6	6
Advances to Investment Pool	7,818	237,659	126,801	33	372,311	346,458
Long-Term Loans Receivable	1,683	13,570	-	-	15,253	5,539
Investments	47,204	381,386	816,026	210,135	1,454,751	1,350,644
Deferred Gains (Losses)	-	-	21,618	-	21,618	27,378
Land	-	49,399	60	-	49,459	49,459
Buildings and Improvements	-	-	341	-	341	342
Equipment	-	-	152	-	152	129
Accumulated Depreciation	-	-	(192)	-	(192)	(176)
Other Assets	6,322	-	-	15,700	22,022	19,953
TOTAL ASSETS	**$ 118,488**	**$ 691,542**	**$ 1,102,131**	**$ 646,057**	**$ 2,558,218**	**$ 2,409,718**
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts Payable and Accruals	$ 1,032	$ -	$ 1,536	$ 1,720	$ 4,288	$ 4,413
Due to Other Governments	-	-	-	20,097	20,097	40,332
Due to Other Funds	9,227	3,745	58	43,429	56,459	82,428
Deferred Revenue	2,380	27	-	-	2,407	3,013
Property Held in Trust	12,991	-	51	542,401	555,443	596,441
Compensated Absences Payable	-	-	81	-	81	75
Allowance for Realized Gains (Losses)	-	-	-	13,710	13,710	2,890
Other Liabilities	-	-	-	24,700	24,700	16,453
Total Liabilities	**25,630**	**3,772**	**1,726**	**646,057**	**677,185**	**746,045**
Fund Balances:						
Reserved for:						
Long-Term Assets	1,683	-	-	-	1,683	1,543
Trust Principal	-	688,120	-	-	688,120	617,909
Retirement Systems	-	-	1,100,405	-	1,100,405	960,769
Unreserved	91,175	(350)	-	-	90,825	83,464
Total Fund Balances	**92,858**	**687,770**	**1,100,405**	**-**	**1,881,033**	**1,663,673**
TOTAL LIABILITIES AND FUND BALANCES	**$ 118,488**	**$ 691,542**	**$ 1,102,131**	**$ 646,057**	**$ 2,558,218**	**$ 2,409,718**

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EXPENDABLE TRUST FUNDS

Expendable Trust Funds are used to account for assets held by the State in a trustee capacity, where both the trust principal and earnings may be expended. A brief description of each Expendable Trust Fund follows.

Rural Development - This fund accounts for programs authorized under the Bankhead Jones Farm Tenant Act. Resources are used by the Department of Agriculture for the purpose of aiding low income rural families.

Hail Insurance - Any taxpayer engaged in the growing of crops subject to destruction by hail may participate in the State's hail insurance program. This fund accounts for premium assessments on crop acreage insured, administrative costs and benefits paid by the Department of Agriculture.

Unemployment Insurance - This fund accounts for employer contributions deposited with the Secretary of the Treasury of the United States to the credit of Montana's unemployment trust fund. Unemployment benefits are paid from this fund to eligible recipients. Administrative costs are paid from a Special Revenue Fund.

State Compensation Insurance - This fund accounts for employer contributions to the State-operated workers' compensation insurance system and the payment of benefits to injured workers. Administrative costs of operating the fund are paid from a Special Revenue Fund.

Resource Indemnity - Department of Revenue accounts for all investment earnings of the resource indemnity trust in this fund.

Woodville Highway Replacement - This fund accounts for money paid to the State Department of Highways by the Anaconda Company. The money must be used to provide the government of Butte-Silver Bow with traffic facilities to replace the abandoned portion of U.S. Highway 91.

Uninsured Employers - This fund accounts for penalties assessed employers who do not carry workers' compensation insurance and benefits paid to injured employees of uninsured employers. Administrative costs are paid from a Special Revenue Fund.

Subsequent Injury - This fund, administered by the Department of Labor and Industry, accounts for amounts paid to persons certified as vocationally handicapped who are injured in the course of their employment.

Crime Victims Compensation - The balances in this fund were transferred to a Special Revenue Fund to correctly account for this program.

Fullam Estate - This fund accounts for money bequested to the Teachers' Retirement System to be used for the benefit of retired teachers.

Coal Tax Trust - This fund, administered by the Department of Commerce, accounts for the interest earned on the Instate Investment Fund.

Historical Society General Trust - Deposits of the principal amounts of various stocks donated by numerous contributors in trust to the Society are accounted for in this fund. The principal can be expended for acquisitions approved by the Board of Trustees.

State Library Trust - This fund accounts for a bequest from the estate of a former patron to be expended as needed to benefit services for the blind and physically handicapped.

Burlington Northern Geraldine Settlement - Deposits from a lawsuit settlement and investment earnings from a Nonexpendable Trust Fund of the same name are to be used for the restructuring of the Geraldine - Lewistown Line.

Coast Trading Trust - This trust accounts for the money from Coast Trading Bankruptcy. Once the lawsuit is settled, the trust will be distributed to the proper claimants.

STATE OF MONTANA
Combining Balance Sheet
Expendable Trust Funds
June 30, 1986
(Expressed in Thousands)

	RURAL DEVELOPMENT	HAIL INSURANCE	UNEMPLOYMENT INSURANCE	STATE COMP. INSURANCE	RESOURCE INDEMNITY	WOODVILLE HIGHWAY	UNINSURED EMPLOYERS
ASSETS							
Cash and Cash Equivalents	$ 44	$ 164	$ 17,893	$ 2,862	$ -	$ 14	$ 115
Receivables (Net)	1	2,246	5,790	16,013	1,272	2	38
Interfund Loans Receivable	-	-	237	-	-	-	-
Due from Other Funds	-	-	-	161	122	-	2
Advances to Investment Pool	210	3,178	-	-	-	371	731
Long-Term Notes Receivable	1,683	-	-	-	-	-	-
Investments	-	550	-	45,046	-	-	-
Other Assets	-	-	-	6,322	-	-	-
TOTAL ASSETS	**$ 1,938**	**$ 6,138**	**$ 23,920**	**$ 70,404**	**$ 1,394**	**$ 387**	**$ 886**
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts Payable and Accruals	$ -	$ 2	$ 413	$ 474	$ -	$ -	$ -
Due to Other Governments	-	-	-	-	-	-	-
Due to Other Funds	3	13	-	14	1,394	-	10
Deferred Revenue	-	2,218	151	9	-	-	2
Property Held in Trust	-	-	-	12,811	-	-	-
Total Liabilities	**3**	**2,233**	**564**	**13,308**	**1,394**	**-**	**12**
Fund Balances:							
Reserved for Long-Term Assets	1,683	-	-	-	-	-	-
Unreserved	252	3,905	23,356	57,096	-	387	874
Total Fund Balances	**1,935**	**3,905**	**23,356**	**57,096**	**-**	**387**	**874**
TOTAL LIABILITIES AND FUND BALANCES	**$ 1,938**	**$ 6,138**	**$ 23,920**	**$ 70,404**	**$ 1,394**	**$ 387**	**$ 886**

SUBSEQUENT INJURY	FULLAM ESTATE	COAL TAX TRUST	HISTORICAL SOCIETY GENERAL TRUST	STATE LIBRARY TRUST	BN GERALDINE SETTLEMENT	COAST TRADING TRUST	TOTALS	
							June 30, 1986	June 30, 1985
$ 241	$ 1	$ 65	$ 3	$ 2	$ -	$ 196	$ 21,600	$ 16,371
73	-	7,350	-	-	104	2	32,891	24,132
-	-	-	-	-	-	-	237	237
-	2	443	-	-	3	-	733	135
884	57	-	16	-	2,371	-	7,818	7,461
-	-	-	-	-	-	-	1,683	1,822
1,608	-	-	-	-	-	-	47,204	60,020
-	-	-	-	-	-	-	6,322	3,680
$ 2,806	**$ 60**	**$ 7,858**	**$ 19**	**$ 2**	**$ 2,478**	**$ 198**	**$ 118,488**	**$ 113,858**
$ 1	$ -	$ -	$ -	$ -	$ 142	$ -	$ 1,032	$ 340
-	-	-	-	-	-	-	-	17,442
-	-	7,793	-	-	-	-	9,227	352
-	-	-	-	-	-	-	2,380	2,926
-	-	-	-	-	-	180	12,991	8,869
1	**-**	**7,793**	**-**	**-**	**142**	**180**	**25,630**	**29,929**
-	-	-	-	-	-	-	1,683	1,543
2,805	60	65	19	2	2,336	18	91,175	82,386
2,805	**60**	**65**	**19**	**2**	**2,336**	**18**	**92,858**	**83,929**
$ 2,806	**$ 60**	**$ 7,858**	**$ 19**	**$ 2**	**$ 2,478**	**$ 198**	**$ 118,488**	**$ 113,858**

STATE OF MONTANA

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Expendable Trust Funds
For the Fiscal Year Ended June 30, 1986
(Expressed in Thousands)

	RURAL DEVELOPMENT	HAIL INSURANCE	UNEMPLOYMENT INSURANCE	STATE COMP. INSURANCE	RESOURCE INDEMNITY	WOODVILLE HIGHWAY	UNINSURED EMPLOYERS
REVENUES:							
Charges for Services, Fines and Forfeits	$ 1	$ 1,624	$ -	$ -	$ -	$ -	$ 341
Investment Earnings	146	218	-	7,965	5,558	22	56
Sale of Documents, Mdse., Property	-	-	-	-	-	-	-
Contributions and Premiums	-	-	76,864	50,861	-	-	-
Grants, Contracts and Donations	4	-	-	-	-	-	-
Federal	-	-	867	-	-	-	-
Other Revenues	-	-	-	1,378	1,157	-	24
Total Revenues	151	1,842	77,731	60,204	6,715	22	421
Less: Intrafund Revenues	-	-	-	-	-	-	-
Net Revenues	**151**	**1,842**	**77,731**	**60,204**	**6,715**	**22**	**421**
EXPENDITURES:							
Current:							
General Government	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	518	-
Education and Cultural	-	-	-	-	-	-	-
Economic Development and Assistance	64	1,735	56,361	65,158	-	-	240
Capital Outlay	-	2	-	-	-	-	-
Total Expenditures	64	1,737	56,361	65,158	-	518	240
Less: Intrafund Expenditures	-	-	-	-	-	-	-
Net Expenditures	**64**	**1,737**	**56,361**	**65,158**	**-**	**518**	**240**
Excess of Revenues Over (Under) Expenditures	87	105	21,370	(4,954)	6,715	(496)	181
OTHER FINANCING SOURCES (USES):							
Operating Transfers In	-	-	-	-	-	-	-
Operating Transfers Out	-	-	-	(6,072)	(6,715)	-	(84)
Total Other Financing Sources (Uses)	-	-	-	(6,072)	(6,715)	-	(84)
Difference Between Prior Year Encumbrances/Accruals and Actual	-	-	-	-	-	-	-
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	**87**	**105**	**21,370**	**(11,026)**	**-**	**(496)**	**97**
FUND BALANCES—JULY 1— As Previously Reported	1,848	3,800	1,986	68,122	-	883	777
Prior Period Adjustments	-	-	-	-	-	-	-
FUND BALANCES—JULY 1— As Restated	1,848	3,800	1,986	68,122	-	883	777
FUND BALANCES—JUNE 30	**$ 1,935**	**$ 3,905**	**$ 23,356**	**$ 57,096**	**$ -**	**$ 387**	**$ 874**

SUBSEQUENT INJURY	CRIME VICTIMS COMPENSATION	FULLAM ESTATE	COAL TAX TRUST	HISTORICAL SOCIETY GENERAL TRUST	STATE LIBRARY TRUST	BN GERALDINE SETTLEMENT	COAST TRADING TRUST	TOTALS YEAR ENDED June 30, 1986	TOTALS YEAR ENDED June 30, 1985
$ -	$ -	$ -	$ 173	$ -	$ -	$ -	$ -	$ 2,139	$ 5,918
279	-	5	31,309	1	-	616	12	46,187	8,966
-	-	-	-	2	-	-	-	2	-
-	-	-	-	-	-	-	-	127,725	110,116
-	-	-	-	-	-	-	-	4	4
-	-	-	-	-	-	-	-	867	11,805
24	-	-	7,283	-	-	-	-	9,866	-
303	-	5	38,765	3	-	616	12	186,790	136,809
-	-	-	-	-	-	-	-	-	(72)
303	**-**	**5**	**38,765**	**3**	**-**	**616**	**12**	**186,790**	**136,737**
-	-	4	-	-	-	-	-	4	1
-	-	-	-	-	-	1,256	-	1,774	2,622
-	-	-	-	3	-	-	-	3	4
171	-	-	108	-	-	-	-	123,837	122,708
-	-	-	-	-	-	-	-	2	-
171	-	4	108	3	-	1,256	-	125,620	125,335
-	-	-	-	-	-	-	-	-	(72)
171	**-**	**4**	**108**	**3**	**-**	**1,256**	**-**	**125,620**	**125,263**
132	-	1	38,657	-	-	(640)	12	61,170	11,474
-	-	-	-	-	-	3	-	3	2
-	-	-	(38,592)	-	-	-	-	(51,463)	(5,053)
-	-	-	(38,592)	-	-	3	-	(51,460)	(5,051)
-	-	-	-	-	-	-	-	-	(623)
132	**-**	**1**	**65**	**-**	**-**	**(637)**	**12**	**9,710**	**5,800**
2,673	781	59	-	19	2	2,973	6	83,929	78,129
-	(781)	-	-	-	-	-	-	(781)	-
2,673	-	59	-	19	2	2,973	6	83,148	78,129
$ 2,805	**$ -**	**$ 60**	**$ 65**	**$ 19**	**$ 2**	**$ 2,336**	**$ 18**	**$ 92,858**	**$ 83,929**

STATE OF MONTANA

SCHEDULE OF EXPENSES AND TRANSFERS OUT

BUDGET AND ACTUAL (BUDGET BASIS) - EXPENDABLE TRUST FUND TYPE

FOR FISCAL YEAR ENDING JUNE 30, 1986 (EXPRESSED IN THOUSANDS)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENSES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
DEPARTMENT OF AGRICULTURE				
CENTRALIZED SERVICES DIVISION	$ 27		$ 27	0
HAIL INSURANCE UNIT	171		144	27
AGRICULTURAL DEVELOPMENT	66		60	6
TOTAL AGENCY	**$ 264**		**$ 231**	**$ 33**
DEPARTMENT OF COMMERCE				
TRANSPORTATION DIVISION	3,000		1,256	1,744
TOTAL AGENCY	**$ 3,000**		**$ 1,256**	**$ 1,744**

NONEXPENDABLE TRUST FUNDS

Nonexpendable Trust Funds are used to account for assets held by the State in a trustee capacity, where the trust principal may not be expended. A brief description of each Nonexpendable Trust Fund follows.

Permanent Coal Tax Trust - This fund, created by Article IX, Section 5 of the Montana Constitution and administered by the Department of Revenue, receives 50% of all coal tax collections. Fifteen percent of investment earnings on this fund remain in the trust and the remaining 85% goes to the General Fund. Principal may be expended only upon affirmative vote by three-fourths of each house of the Legislature.

Education Trust - The Department of Commerce administers this fund which receives 18.75 percent of all coal tax collections. The fund principal is held in trust for the purpose of supporting the public schools, vocational-technical centers and university systems of the State. The Office of Public Instruction receives 67.5% of investment income which is paid to public schools through the State equalization aid program and 10% which is distributed to the vocational-technical centers. The remaining 22.5% is distributed to institutions of higher learning through the Board of Regents.

Resource Indemnity Tax - Taxes paid by persons engaging in or carrying on the business of mining, extracting or producing a mineral are deposited in this fund. Only the net earnings of the trust may be appropriated until the principal reaches $100 million. Interest earnings are expended from a Special Revenue Fund. This fund is administered by the Department of Revenue.

Parks, Cultural and Aesthetic Projects - Two and one-half percent of coal taxes are credited to this fund under the administration of the Department of Revenue. Interest income from the trust is recorded in a Special Revenue Fund. One-third of the investment income is used for cultural and aesthetic projects through the Montana Arts Council and two-thirds for the acquisition and maintenance of parks by the Department of Fish, Wildlife and Parks.

Land Grants - This fund accounts for lands granted to the State under control of the Department of State Lands for support of public schools and State institutions.

Noxious Weed Management - This fund, administered by the Department of Agriculture, accounts for revenues and interest earned on the control of noxious weeds.

Real Property Trust - Money received by the Department of Fish, Wildlife and Parks from the sale of real property, from exploration and development of oil, gas and mineral deposits and from lease of department real property is deposited in this fund. Interest is recorded in a Special Revenue Fund and used for developing and maintaining real property of the department.

Historical Society - Four funds (Jim Bradley Memorial, Thomas Teakle, Merritt Wheeler and Charles Bair) administered by the Historical Society account for memorials, bequests and various other contributions to the Society. Investment income is either expended from a Special Revenue Fund, Expendable Trust Fund or added to the principal.

Burlington Northern Geraldine Settlement - Money is held in trust to ensure the availability of funds to pay Burlington Northern after a three year time period mandated by settlement of a lawsuit. Investment earnings are transferred to an Expendable Trust Fund of the same name.

STATE OF MONTANA
Combining Balance Sheet
Nonexpendable Trust Funds
June 30, 1986
(Expressed in Thousands)

	PERMANENT COAL TAX	EDUCATION	RESOURCE INDEMNITY	PARKS, CULTURAL, AESTHETIC PROJECTS	LAND GRANTS	NOXIOUS WEED MANAGEMENT
ASSETS						
Cash and Cash Equivalents	$ 646	$ 3,964	$ 34	$ 7	$ 31	$ 42
Receivables (Net)	313	254	85	25	226	111
Due from Other Funds	1,314	-	11	28	1,581	-
Advances to Investment Pool	43,881	4,148	4,100	3,160	182,243	-
Long-Term Notes/Loans Receivable	13,118	-	-	-	452	-
Investments	242,416	72,961	48,959	13,024	-	290
Land	-	-	-	-	49,399	-
TOTAL ASSETS	**$ 301,688**	**$ 81,327**	**$ 53,189**	**$ 16,244**	**$ 233,932**	**$ 443**
LIABILITIES AND FUND BALANCES						
Liabilities						
Due to Other Funds	$ 421	$ 1,565	$ 122	$ 22	$ 1,609	$ -
Deferred Revenue	-	-	27	-	-	-
Total Liabilities	**421**	**1,565**	**149**	**22**	**1,609**	**-**
Fund Balances:						
Reserved for Trust Principal	301,267	79,762	53,040	16,222	232,681	443
Unreserved	-	-	-	-	(358)	-
Total Fund Balances	**301,267**	**79,762**	**53,040**	**16,222**	**232,323**	**443**
TOTAL LIABILITIES AND FUND BALANCES	**$ 301,688**	**$ 81,327**	**$ 53,189**	**$ 16,244**	**$ 233,932**	**$ 443**

REAL PROPERTY	JIM BRADLEY MEMORIAL	THOMAS TEAKLE	MERRITT WHEELER	CHARLES BAIR	BN GERALDINE SETTLEMENT	TOTALS	
						June 30, 1986	June 30, 1985
$ 447	$ 6	$ 4	$ 3	$ 394	$ -	$ 5,578	$ 4,939
1	-	-	-	1	-	1,016	2,363
-	-	-	-	-	-	2,934	4,865
-	48	42	11	22	4	237,659	223,844
-	-	-	-	-	-	13,570	3,717
737	-	-	-	-	2,999	381,386	337,552
-	-	-	-	-	-	49,399	49,399
$ 1,185	**$ 54**	**$ 46**	**$ 14**	**$ 417**	**$ 3,003**	**$ 691,542**	**$ 626,679**
$ -	$ -	$ 3	$ -	$ -	$ 3	$ 3,745	$ 7,617
-	-	-	-	-	-	27	87
-	**-**	**3**	**-**	**-**	**3**	**3,772**	**7,704**
1,185	46	43	14	417	3,000	688,120	617,909
-	8	-	-	-	-	(350)	1,066
1,185	**54**	**43**	**14**	**417**	**3,000**	**687,770**	**618,975**
$ 1,185	**$ 54**	**$ 46**	**$ 14**	**$ 417**	**$ 3,003**	**$ 691,542**	**$ 626,679**

STATE OF MONTANA

Combining Statement of Revenues, Expenses and Changes in Fund Balances
Nonexpendable Trust Funds
For the Fiscal Year Ended June 30, 1986

(Expressed in Thousands)

	PERMANENT COAL TAX	EDUCATION	RESOURCE INDEMNITY	PARKS, CULTURAL, AESTHETIC PROJECTS	LAND GRANTS	NOXIOUS WEED MANAGEMENT
OPERATING REVENUES:						
Charges for Services	$ 33	$ -	$ -	$ -	$ 1,091	$ -
Taxes	-	8,422	5,992	2,105	-	144
Investment Earnings	354	7,477	-	-	1,963	13
Grants, Contracts and Donations	-	-	-	-	456	286
Rentals, Leases and Royalties	-	-	-	-	6,149	-
Other Operating Revenues	-	2,075	-	-	-	-
Total Operating Revenues	**387**	**17,974**	**5,992**	**2,105**	**9,659**	**443**
NONOPERATING REVENUES (EXPENSES):						
Net Gain on Investment Transactions	1,149	2,773	115	267	2,122	-
Sale of Property	-	-	-	-	-	-
Federal	-	-	-	-	12	-
Other Nonoperating Revenue (Exp.)	-	-	-	-	-	-
Total Nonoperating Revenues (Expenses)	1,149	2,773	115	267	2,134	-
Income before Operating Transfers	1,536	20,747	6,107	2,372	11,793	443
Operating Transfers In (Out)	44,967	(11,364)	-	-	-	-
Difference Between Prior Year Commitments/Accruals and Actual	-	-	-	-	-	-
Net Income (Loss)	**46,503**	**9,383**	**6,107**	**2,372**	**11,793**	**443**
FUND BALANCES—JULY 1—As Previously Reported	253,665	70,418	47,396	13,859	229,304	-
Prior Period Adjustments	1,099	(39)	(463)	(9)	(8,764)	-
FUND BALANCES—JULY 1—As Restated	254,764	70,379	46,933	13,850	220,540	-
Residual Equity Transfers	-	-	-	-	(10)	-
FUND BALANCES—JUNE 30	**$ 301,267**	**$ 79,762**	**$ 53,040**	**$ 16,222**	**$ 232,323**	**$ 443**

REAL PROPERTY	JIM BRADLEY MEMORIAL	THOMAS TEAKLE	MERRITT WHEELER	CHARLES BAIR	BN GERALDINE SETTLEMENT	TOTALS YEAR ENDED June 30, 1986	TOTALS YEAR ENDED June 30, 1985
$ 335	$ -	$ -	$ -	$ -	$ -	$ 1,459	$ 3,006
-	-	-	-	-	-	16,663	49,612
-	4	-	1	20	-	9,832	18,282
-	-	-	-	-	-	742	806
54	-	-	-	-	-	6,203	10,188
26	-	-	-	-	-	2,101	-
415	**4**	**-**	**1**	**20**	**-**	**37,000**	**81,894**
-	-	-	-	-	-	6,426	-
-	-	-	-	-	-	-	261
-	-	-	-	-	-	12	-
-	(2)	-	-	-	-	(2)	-
-	(2)	-	-	-	-	6,436	261
415	2	-	1	20	-	43,436	82,155
-	-	-	-	(55)	(3)	33,545	(275)
-	-	-	-	-	-	-	250
415	**2**	**-**	**1**	**(35)**	**(3)**	**76,981**	**82,130**
770	52	43	13	452	3,003	618,975	536,845
-	-	-	-	-	-	(8,176)	-
770	52	43	13	452	3,003	610,799	536,845
-	-	-	-	-	-	(10)	-
$ 1,185	**$ 54**	**$ 43**	**$ 14**	**$ 417**	**$ 3,000**	**$ 687,770**	**$ 618,975**

STATE OF MONTANA

Combining Statement of Changes in Financial Position

Nonexpendable Trust Funds

For the Fiscal Year Ended June 30, 1986

(Expressed in Thousands)

	PERMANENT COAL TAX	EDUCATION	RESOURCE INDEMNITY	PARKS, CULTURAL, AESTHETIC PROJECTS	LAND GRANTS	NOXIOUS WEED MANAGEMENT
SOURCES OF WORKING CAPITAL:						
Operations:						
Net Income (Loss)	$ 46,503	$ 9,383	$ 6,107	$ 2,372	$ 11,793	$ 443
Working Capital Provided by Operations	46,503	9,383	6,107	2,372	11,793	443
Decrease in Long-Term Investments	180,717	54,531	33,309	16,518	-	195
Decrease in Noncurrent Receivables	3,030	-	-	-	85	-
Prior Period Adjustments	1,099	-	-	-	431	-
Total Sources of Working Capital	**231,349**	**63,914**	**39,416**	**18,890**	**12,309**	**638**
USES OF WORKING CAPITAL:						
Increase in Long-Term Investments	211,332	60,644	39,366	16,537	-	485
Decrease in Noncurrent Payables	-	-	-	-	-	-
Increase in Noncurrent Receivables	12,968	-	-	-	-	-
Prior Period Adjustments	-	39	463	9	9,195	-
Residual Equity Transfers	-	-	-	-	10	-
Total Uses of Working Capital	**224,300**	**60,683**	**39,829**	**16,546**	**9,205**	**485**
Net Increase (Decrease) in Working Capital	**$ 7,049**	**$ 3,231**	**$ (413)**	**$ 2,344**	**$ 3,104**	**$ 153**
ELEMENTS OF NET INCREASE (DECREASE) IN WORKING CAPITAL:						
Cash and Cash Equivalents	$ (87)	$ 1,034	$ 5	$ 5	$ 14	$ 42
Receivables (Net)	107	(1,789)	(12)	14	226	111
Due from Other Funds	(1,412)	(64)	(497)	19	23	-
Advances to Investment Pool	6,539	946	32	2,299	3,981	-
Other Assets	-	-	-	-	-	-
Due to Other Funds	1,902	3,104	(1)	7	(1,140)	-
Deferred Revenue	-	-	60	-	-	-
Net Increase (Decrease) in Working Capital	**$ 7,049**	**$ 3,231**	**$ (413)**	**$ 2,344**	**$ 3,104**	**$ 153**

REAL PROPERTY	JIM BRADLEY MEMORIAL	THOMAS TEAKLE	MERRITT WHEELER	CHARLES BAIR	BN GERALDINE SETTLEMENT	TOTALS	
						June 30, 1986	June 30, 1985
$ 415	$ 2	$ -	$ 1	$ (35)	$ (3)	$ 76,981	$ 82,130
415	2	-	1	(35)	(3)	76,981	82,130
705	-	-	-	-	247	286,222	94,165
-	-	-	-	-	-	3,115	18,134
-	-	-	-	-	-	1,530	-
1,120	**2**	**-**	**1**	**(35)**	**244**	**367,848**	**194,429**
1,442	-	-	-	-	250	330,056	157,606
-	-	-	-	-	-	-	3
-	-	-	-	-	-	12,968	3,180
-	-	-	-	-	-	9,706	-
-	-	-	-	-	-	10	-
1,442	**-**	**-**	**-**	**-**	**250**	**352,740**	**160,789**
$ (322)	**$ 2**	**$ -**	**$ 1**	**$ (35)**	**$ (6)**	**$ 15,108**	**$ 33,640**
$ (319)	$ 2	$ (2)	$ 1	$ (56)	$ -	$ 639	$ 2,071
(3)	-	-	-	(1)	-	(1,347)	(66)
-	-	-	-	-	-	(1,931)	247
-	-	-	-	22	(4)	13,815	21,576
-	-	-	-	-	-	-	12,428
-	-	2	-	-	(2)	3,872	(2,531)
	-	-	-	-	-	60	(85)
$ (322)	**$ 2**	**$ -**	**$ 1**	**$ (35)**	**$ (6)**	**$ 15,108**	**$ 33,640**

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PENSION TRUST FUNDS

The Pension Trust Funds are used to account for public employee retirement systems. A brief description of each Pension Trust Fund follows.

Teachers' Retirement System - This fund accounts for resources used to provide financial benefits to members of the public teaching profession after their retirement or upon becoming disabled. The system is funded from employer and employee contributions. This fund also accounts for administrative costs of the system.

Public Employees' Retirement System (PERS) - This fund accounts for the accumulation of resources used to pay retirement, disability and death benefits to qualified public employees. This fund also accounts for the administrative costs of the Public Employees' Retirement Division, Department of Administration, which administers the activities of PERS and the following seven retirement systems. These costs are paid from investment earnings on public employee social security withholdings. The system is funded from employer and employee contributions.

Municipal Police Officers' Retirement System - This fund accounts for resources used to pay retirement, disability and death benefits to qualifying police officers employed by first and second class cities. The system is funded from member, State and city contributions.

Game Wardens' Retirement System - This fund accounts for the accumulation of resources used to pay retirement, disability and death benefits to game wardens employed by the State. In addition to employer and employee contributions, this fund receives fines and forfeitures generated from fish and wildlife violations.

Sheriff's Retirement System - This fund accounts for member and county contributions to pay retirement, disability and death benefits to qualifying sheriffs.

Judges' Retirement System - This fund accounts for member and State contributions used to pay retirement, disability and death benefits to Montana's judges. The system is also funded from a percentage of court fees collected.

Highway Patrolmen's Retirement System - This fund accounts for member and State contributions to pay retirement, disability and death benefits to qualifying highway patrolmen.

Volunteer Firefighters' of Unincorporated Areas Retirement System - This fund accounts for benefit payments to qualified volunteer firefighters. Benefit payments are based upon the amount of insurance premium taxes collected in the preceding year.

Unified Firefighters' Retirement System - This fund accounts for the accumulation of resources used to pay retirement, disability and death benefits to firefighters employed by first and second class cities and other cities electing coverage. In addition to employer and employee contributions, the State contributes a portion of insurance premium taxes collected.

STATE OF MONTANA
Combining Balance Sheet
Pension Trust Funds
June 30, 1986
(Expressed in Thousands)

	TEACHERS	PERS	MUNICIPAL POLICE	GAME WARDENS
ASSETS				
Cash and Cash Equivalents	$ 41,871	$ 57,418	$ 11	$ 5
Receivables (Net)	13,041	12,194	628	193
Due from Other Funds	378	1,409	2,340	34
Inventories	-	6	-	-
Advances to Investment Pool	50,749	58,768	3,425	1,374
Investments	330,347	416,642	15,768	5,335
Deferred Gains (Losses)	7,813	13,079	183	162
Land	35	25	-	-
Buildings and Improvements	158	183	-	-
Equipment	47	105	-	-
Accumulated Depreciation	(79)	(113)	-	-
TOTAL ASSETS	**$ 444,360**	**$ 559,716**	**$ 22,355**	**$ 7,103**
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable and Accruals	$ 886	$ 638	$ -	$ 12
Due to Other Funds	46	12	-	-
Property Held in Trust	51	-	-	-
Compensated Absences Payable	27	54	-	-
Total Liabilities	**1,010**	**704**	**-**	**12**
Fund Balances:				
Reserved for Retirement Systems	**443,350**	**559,012**	**22,355**	**7,091**
TOTAL LIABILITIES AND FUND BALANCES	**$ 444,360**	**$ 559,716**	**$ 22,355**	**$ 7,103**

SHERIFFS	JUDGES	HIGHWAY PATROL	VOLUNTEER FIREFIGHTERS	UNIFIED FIREFIGHTERS	TOTALS	
					June 30, 1986	June 30, 1985
$ 39	$ 27	$ 46	$ 2	$ 2,386	$ 101,805	$ 35,993
568	276	443	127	504	27,974	26,958
1	60	48	500	2,770	7,540	6,453
-	-	-	-	-	6	6
3,947	1,488	3,183	40	3,827	126,801	115,120
14,778	5,982	11,805	4,080	11,289	816,026	749,808
148	62	341	51	(221)	21,618	27,378
-	-	-	-	-	60	60
-	-	-	-	-	341	342
-	-	-	-	-	152	129
-	-	-	-	-	(192)	(176)
$ 19,481	**$ 7,895**	**$ 15,866**	**$ 4,800**	**$ 20,555**	**$ 1,102,131**	**$ 962,071**
$ -	$ -	$ -	$ -	$ -	$ 1,536	$ 1,156
-	-	-	-	-	58	70
-	-	-	-	-	51	1
-	-	-	-	-	81	75
-	**-**	**-**	**-**	**-**	**1,726**	**1,302**
19,481	**7,895**	**15,866**	**4,800**	**20,555**	**1,100,405**	**960,769**
$ 19,481	**$ 7,895**	**$ 15,866**	**$ 4,800**	**$ 20,555**	**$ 1,102,131**	**$ 962,071**

STATE OF MONTANA

Combining Statement of Revenues, Expenses and Changes in Fund Balances
Pension Trust Funds
For the Fiscal Year Ended June 30, 1986
(Expressed in Thousands)

	TEACHERS	PERS	MUNICIPAL POLICE	GAME WARDENS
OPERATING REVENUES:				
Charge for Services	$ -	$ -	$ -	$ -
Investment Earnings	41,811	58,200	2,492	786
Contributions and Premiums	54,980	54,428	4,155	554
Other Operating Revenues	33	-	1	-
Total Operating Revenues	96,824	112,628	6,648	1,340
Less: Intrafund Revenues	-	-	-	-
Net Operating Revenues	**96,824**	**112,628**	**6,648**	**1,340**
OPERATING EXPENSES:				
Personal Services	225	380	-	-
Contractual Services	60	163	-	-
Supplies and Materials	16	11	-	-
Benefits	38,165	36,589	3,462	384
Refunds	4,376	8,192	79	16
Depreciation	6	12	-	-
Utilities and Rent	28	17	-	-
Communications	27	38	-	-
Repair and Maintenance	14	8	-	-
Investment Administration	-	-	-	-
Other Operating Expenses	6	-	-	-
Total Operating Expenses	42,923	45,410	3,541	400
Less: Intrafund Operating Expenses	-	-	-	-
Net Operating Expenses	**42,923**	**45,410**	**3,541**	**400**
Operating Income (Loss)	53,901	67,218	3,107	940
Nonoperating Revenues (Expenses):				
Net Gain on Investment Transactions	3,268	-	-	-
Gain (Loss) on Sale of Fixed Assets	-	(7)	-	-
Total Nonoperating Revenues (Expenses)	3,268	(7)	-	-
Income (Loss) Before Operating Transfers	57,169	67,211	3,107	940
Operating Transfers In (Out)	-	-	-	-
Difference Between Prior Year Commitments/Accruals and Actual	-	-	-	-
Net Income (Loss)	**57,169**	**67,211**	**3,107**	**940**
FUND BALANCES—JULY 1—As Previously Reported	386,176	491,801	19,248	6,147
Prior Period Adjustments	5	-	-	4
FUND BALANCES—JULY 1—As Restated	386,181	491,801	19,248	6,151
FUND BALANCES—JUNE 30	**$ 443,350**	**$ 559,012**	**$ 22,355**	**$ 7,091**

SHERIFFS	JUDGES	HIGHWAY PATROL	VOLUNTEER FIREFIGHTERS	UNIFIED FIREFIGHTERS	TOTALS YEAR ENDED	
					June 30, 1986	June 30, 1985
$ -	$ -	$ 651	$ -	$ -	$ 651	$ -
2,345	821	1,638	464	2,290	110,847	92,971
1,703	899	1,362	500	4,536	123,117	113,676
-	-	-	-	1	35	70
4,048	1,720	3,651	964	6,827	234,650	206,717
-	-	-	-	-	-	(20)
4,048	**1,720**	**3,651**	**964**	**6,827**	**234,650**	**206,697**
-	-	-	-	-	605	703
-	-	-	-	-	223	222
-	-	-	-	-	27	22
306	437	971	526	3,484	84,324	72,174
308	3	2	-	33	13,009	13,591
-	-	-	-	-	18	19
-	-	-	-	-	45	43
-	-	-	-	-	65	71
-	-	-	-	-	22	44
-	-	-	-	-	-	259
-	-	-	21	-	27	45
614	440	973	547	3,517	98,365	87,193
-	-	-	-	-	-	(20)
614	**440**	**973**	**547**	**3,517**	**98,365**	**87,173**
3,434	1,280	2,678	417	3,310	136,285	119,524
-	-	-	-	-	3,268	-
-	-	-	-	-	(7)	-
-	-	-	-	-	3,261	-
3,434	1,280	2,678	417	3,310	139,546	119,524
-	-	-	86	-	86	5,132
-	-	-	-	-	-	(450)
3,434	**1,280**	**2,678**	**503**	**3,310**	**139,632**	**124,206**
16,062	6,615	13,187	4,297	17,236	960,769	836,541
(15)	-	1	-	9	4	22
16,047	6,615	13,188	4,297	17,245	960,773	836,563
$ 19,481	**$ 7,895**	**$ 15,866**	**$ 4,800**	**$ 20,555**	**$ 1,100,405**	**$ 960,769**

STATE OF MONTANA

Combining Statement of Changes in Financial Position
Pension Trust Funds
For the Fiscal Year Ended June 30, 1986
(Expressed in Thousands)

	TEACHERS	PERS	MUNICIPAL POLICE	GAME WARDENS
SOURCES OF WORKING CAPITAL:				
Operations:				
Net Income (Loss)	$ 57,169	$ 67,211	$ 3,107	$ 940
Items not Requiring Working Capital:				
Depreciation	6	12	-	-
Amortization of Net Loss (Gain) on Securities Exchanged	614	230	(145)	(38)
Working Capital Provided by Operations	57,789	67,453	2,962	902
Decrease in Long-Term Investments	173,923	238,169	14,334	3,516
Disposal of Fixed Assets	-	7	-	-
Transfers from Other Funds	-	-	-	-
Increase in Compensated Absences Payable	2	4	-	-
Prior Period Adjustments	5	-	-	4
Total Sources of Working Capital	**231,719**	**305,633**	**17,296**	**4,422**
USES OF WORKING CAPITAL:				
Increase in Long-Term Investments	204,664	263,251	14,750	3,896
Acquisition of Fixed Assets	9	23	-	-
Transfers to Other Funds	-	-	-	-
Prior Period Adjustments	-	-	-	-
Total Uses of Working Capital	**204,673**	**263,274**	**14,750**	**3,896**
Net Increase (Decrease) in Working Capital	**$ 27,046**	**$ 42,359**	**$ 2,546**	**$ 526**
ELEMENTS OF NET INCREASE (DECREASE) IN WORKING CAPITAL:				
Cash and Cash Equivalents	$ 24,405	$ 39,364	$ (40)	$ (2)
Receivables (Net)	690	(8)	15	24
Due from Other Funds	190	180	238	16
Inventories	-	-	-	-
Advances to Investment Pool	1,998	3,000	2,333	500
Accounts Payable	(165)	(211)	-	(12)
Due to Other Funds	(22)	34	-	-
Property Held in Trust	(50)	-	-	-
Net Increase (Decrease) in Working Capital	**$ 27,046**	**$ 42,359**	**$ 2,546**	**$ 526**

SHERIFFS	JUDGES	HIGHWAY PATROL	VOLUNTEER FIREFIGHTERS	UNIFIED FIREFIGHTERS	TOTALS	
					June 30, 1986	June 30, 1985
$ 3,434	$ 1,280	$ 2,678	$ 503	$ 3,310	$ 139,632	$ 124,206
-	-	-	-	-	18	19
(152)	(50)	(37)	(5)	(180)	237	2,494
3,282	1,230	2,641	498	3,130	139,887	126,719
13,212	3,567	7,786	1,660	12,400	468,567	189,582
-	-	-	-	-	7	-
-	-	-	-	-	-	12
-	-	-	-	-	6	7
-	-	1	-	9	19	23
16,494	**4,797**	**10,428**	**2,158**	**15,539**	**608,486**	**316,343**
14,744	4,257	8,748	2,264	12,480	529,054	279,495
-	-	-	-	-	32	51
-	-	-	-	-	-	12
15	-	-	-	-	15	1
14,759	**4,257**	**8,748**	**2,264**	**12,480**	**529,101**	**279,559**
$ 1,735	**$ 540**	**$ 1,680**	**$ (106)**	**$ 3,059**	**$ 79,385**	**$ 36,784**
$ 10	$ 20	$ 38	$ 1	$ 2,223	$ 66,019	$ 21,586
31	94	130	24	16	1,016	1,948
(4)	(9)	(3)	159	320	1,087	833
-	-	-	-	-	-	(1)
1,691	435	1,514	(290)	500	11,681	12,164
7	-	1	-	-	(380)	236
-	-	-	-	-	12	18
-	-	-	-	-	(50)	-
$ 1,735	**$ 540**	**$ 1,680**	**$ (106)**	**$ 3,059**	**$ 79,385**	**$ 36,784**

STATE OF MONTANA

SCHEDULE OF EXPENSES AND TRANSFERS OUT

BUDGET AND ACTUAL (BUDGET BASIS) - PENSION TRUST FUND TYPE

FOR FISCAL YEAR ENDING JUNE 30, 1986 (EXPRESSED IN THOUSANDS)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENSES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
PUBLIC EMPLOYEES RETIREMENT BD				
PUBLIC EMPLOYEES RETIREMENT	$ 845		$ 813	$ 32
TOTAL AGENCY	**$ 845**		**$ 813**	**$ 32**
TEACHERS RETIREMENT BOARD				
TEACHERS RETIREMENT PROGRAM	466		356	110
TOTAL AGENCY	**$ 466**		**$ 356**	**$ 110**

AGENCY FUNDS

The Agency Funds are used to account for assets held by the State as an agent for individuals, private organizations, other governments and other funds. A brief description of each Agency Fund follows.

Unissued Warrants - This fund reports the amount of warrants authorized by agency claims but not written or not mailed by fiscal year-end.

Unclaimed Property - This fund accounts for property held by six State agencies pending claim by the person entitled thereto. It includes, for example, proceeds from the sale of abandoned property, escheated and undistributed estates, stale-dated State warrants and unclaimed wages.

Employees Deferred Compensation - State employees may defer a part of their compensation for the purpose of investment. This fund accounts for employee withholdings transferred to investing entities for allocation to employee designated investment plans.

Intergovernmental - This fund accounts for resources that flow through State agencies to federal and local governments.

Uncleared Collections - This fund accounts for resources held pending distribution to other funds and local governments. Amounts due to other State funds have been recorded as a receivable and revenue in those funds.

Land Grant Interest and Income - This fund accounts for interest and income earnings on nonexpendable trusts administered by the Department of State Lands pending distribution to units of the university system and State institutions.

Architecture and Engineering Advances - This fund accounts for monies advanced by other agencies to the Department of Administration's Architecture and Engineering Division for minor capital projects. The capital outlay expenditures are recorded in the funds which advanced the money.

Central Payroll - This fund accounts for the accumulation of State employees' payroll and withholdings by the State Auditor's Office pending remittance to employees and other appropriate third parties.

Investment Pool - This fund accounts for idle cash invested on a pooled basis. Investment earnings on State funds are accounted for as revenue in either the fund providing the cash for investment or in the fund from which the earnings will be expended.

Child Support Collections - This fund accounts for payments from parents under the Child Support Enforcement Program, Department of Revenue.

Bad Debts and Dishonored Checks - This fund, administered by the Department of Revenue, accounts for amounts due to the State which have been written off as uncollectible by the receiving agency. The Department of Revenue continues to attempt to collect amounts owing for a period of time after they are deemed uncollectible by the receiving agency.

Performance and Other Deposits - This fund accounts for deposits held by the State pending compliance with performance agreements.

Custodial Accounts - Monies belonging to State institution residents, students of the School for the Deaf and Blind and participants in the foster children and protective services programs are accounted for in this fund.

Industrial Insurance Liquidation - This fund, administered by the Division of Workers' Compensation, Department of Labor and Industry, accounts for surety bonds, converting the bonds into cash to liquidate liabilities as necessary.

STATE OF MONTANA

Combining Balance Sheet

Agency Funds

June 30, 1986

(Expressed in Thousands)

	UNISSUED WARRANTS	UNCLAIMED PROPERTY	EMPLOYEES DEF. COMP.	INTERGOV-ERNMENTAL	UNCLEARED COLLECTIONS	LAND GRANT INTEREST	A&E ADVANCES
ASSETS							
Cash and Cash Equivalents	$ 2,205	$ 760	$ 1	$ 1,593	$ 2,513	$ 21,439	$ 815
Receivables (Net)	-	36	1	33	-	-	-
Interfund Loans Receivable	-	-	-	-	-	-	-
Due from Other Governments	-	-	-	257	-	-	-
Due from Other Funds	-	-	262	905	3	7,915	182
Advances to Investment Pool	-	-	-	-	-	-	-
Investments	-	-	32,649	1,997	-	-	-
Other Assets	-	-	-	-	-	-	-
TOTAL ASSETS	**$ 2,205**	**$ 796**	**$ 32,913**	**$ 4,785**	**$ 2,516**	**$ 29,354**	**$ 997**
LIABILITIES							
Accounts Payable	$ 36	$ 6	$ 1	$ 830	$ 5	$ -	$ 750
Due to Other Governments	-	-	-	3,809	-	-	-
Due to Other Funds	15	-	1	130	2,429	29,354	20
Property Held in Trust	-	483	32,911	16	82	-	-
Allowance for Realized Gains (Losses)	-	-	-	-	-	-	-
Other Liabilities	2,154	307	-	-	-	-	227
TOTAL LIABILITIES	**$ 2,205**	**$ 796**	**$ 32,913**	**$ 4,785**	**$ 2,516**	**$ 29,354**	**$ 997**

CENTRAL PAYROLL	INVESTMENT POOL	CHILD SUPPORT COLLECTIONS	BAD DEBTS	DEPOSITS	CUSTODIAL ACCOUNTS	INDUSTRIAL INSURANCE LIQUIDATION	TOTALS	
							June 30, 1986	June 30, 1985
$ 1,753	$ 352,323	$ 566	$ 14	$ 2,830	$ 2,426	$ -	$ 389,238	$ 426,000
-	176	-	-	2	-	-	248	15,891
-	-	-	-	3,000	-	-	3,000	-
-	-	-	-	-	-	-	257	94
16,315	1,840	10	13	-	1	-	27,446	45,555
-	-	-	-	-	33	-	33	33
-	175,261	-	-	228	-	-	210,135	203,264
-	-	-	-	1,536	-	14,164	15,700	16,273
$ 18,068	**$ 529,600**	**$ 576**	**$ 27**	**$ 7,596**	**$ 2,460**	**$ 14,164**	**$ 646,057**	**$ 707,110**
$ -	$ 1	$ 31	$ -	$ 55	$ 5	$ -	$ 1,720	$ 2,917
-	16,288	-	-	-	-	-	20,097	22,890
1,878	7,818	-	16	225	1,543	-	43,429	74,389
-	487,440	545	11	5,838	911	14,164	542,401	587,571
-	13,710	-	-	-	-	-	13,710	2,890
16,190	4,343	-	-	1,478	1	-	24,700	16,453
$ 18,068	**$ 529,600**	**$ 576**	**$ 27**	**$ 7,596**	**$ 2,460**	**$ 14,164**	**$ 646,057**	**$ 707,110**

STATE OF MONTANA

Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 1986
(Expressed in Thousands)

FUND	BALANCE July 1, 1985	Additions	Deductions	BALANCE June 30, 1986
UNISSUED WARRANTS				
ASSETS				
Cash and Cash Equivalents	$ 978	$ 3,158,815	$ 3,157,588	$ 2,205
LIABILITIES				
Accounts Payable	$ -	$ 36	$ -	$ 36
Due to Other Funds	-	15	-	15
Other Liabilities	978	3,116,362	3,115,186	2,154
Total Liabilities	$ 978	$ 3,116,413	$ 3,115,186	$ 2,205
UNCLAIMED PROPERTY				
ASSETS				
Cash and Cash Equivalents	$ 732	$ 1,285	$ 1,257	$ 760
Receivables (Net)	92	36	92	36
Due from Other Funds	1	-	1	-
Total Assets	$ 825	$ 1,321	$ 1,350	$ 796
LIABILITIES				
Accounts Payable	$ 10	$ 6	$ 10	$ 6
Property Held in Trust	460	536	513	483
Other Liabilities	355	202	250	307
Total Liabilities	$ 825	$ 744	$ 773	$ 796
EMPLOYEES DEF. COMP.				
ASSETS				
Cash and Cash Equivalents	$ 169	$ 5,324	$ 5,492	$ 1
Receivables (Net)	-	1	-	1
Due from Other Funds	10	262	10	262
Investments	25,565	7,692	608	32,649
Other Assets	-	5,494	5,494	-
Total Assets	$ 25,744	$ 18,773	$ 11,604	$ 32,913
LIABILITIES				
Accounts Payable	$ -	$ 1	$ -	$ 1
Due to Other Funds	-	2	1	1
Property Held in Trust	25,744	8,339	1,172	32,911
Other Liabilities	-	1	1	-
Total Liabilities	$ 25,744	$ 8,343	$ 1,174	$ 32,913
INTERGOVERNMENTAL				
ASSETS				
Cash and Cash Equivalents	$ 10,529	$ 1,324,026	$ 1,332,962	$ 1,593
Receivables (Net)	54	42	63	33
Interfund Loans Receivable	-	15	15	-
Due from Other Governments	94	257	94	257
Due from Other Funds	1,219	905	1,219	905
Investments	2,642	5,005	5,650	1,997
Total Assets	$ 14,538	$ 1,330,250	$ 1,340,003	$ 4,785
LIABILITIES				
Accounts Payable	$ 635	$ 1,102	$ 907	$ 830
Due to Other Governments	13,810	54	10,055	3,809
Due to Other Funds	81	130	81	130
Property Held in Trust	12	265	261	16
Total Liabilities	$ 14,538	$ 1,551	$ 11,304	$ 4,785

Continued on next page.

STATE OF MONTANA

Combining Statement of Changes in Assets and Liabilities—Continued

Agency Funds

For the Fiscal Year Ended June 30, 1986

(Expressed in Thousands)

FUND	BALANCE July 1, 1985	Additions	Deductions	BALANCE June 30, 1986
UNCLEARED COLLECTIONS				
ASSETS				
Cash and Cash Equivalents	$ 2,451	$ 533,754	$ 533,692	$ 2,513
Receivables (Net)	1,193	691	1,884	-
Interfund Loans Receivable	-	1,500	1,500	-
Due from Other Funds	68	822	887	3
Total Assets	$ 3,712	$ 536,767	$ 537,963	$ 2,516
LIABILITIES				
Accounts Payable	$ 1,245	$ 5	$ 1,245	$ 5
Due to Other Governments	24	-	24	-
Due to Other Funds	2,341	2,429	2,341	2,429
Property Held in Trust	102	360	380	82
Other Liabilities	-	466,775	466,775	-
Total Liabilities	$ 3,712	$ 469,569	$ 470,765	$ 2,516
LAND GRANT INTEREST				
ASSETS				
Cash and Cash Equivalents	$ 20,559	$ 698,720	$ 697,840	$ 21,439
Receivables (Net)	489	-	489	-
Due from Other Funds	10,479	7,915	10,479	7,915
Investments	72	-	72	-
Total Assets	$ 31,599	$ 706,635	$ 708,880	$ 29,354
LIABILITIES				
Accounts Payable	$ 3	$ -	$ 3	$ -
Due to Other Funds	31,596	29,354	31,596	29,354
Total Liabilities	$ 31,599	$ 29,354	$ 31,599	$ 29,354
A&E ADVANCES				
ASSETS				
Cash and Cash Equivalents	$ 957	$ 10,090	$ 10,232	$ 815
Due from Other Funds	2	182	2	182
Total Assets	$ 959	$ 10,272	$ 10,234	$ 997
LIABILITIES				
Accounts Payable	$ 951	$ 750	$ 951	$ 750
Interfund Loans Payable	-	150	150	-
Due to Other Funds	8	20	8	20
Other Liabilities	-	9,376	9,149	227
Total Liabilities	$ 959	$ 10,296	$ 10,258	$ 997
CENTRAL PAYROLL				
ASSETS				
Cash and Cash Equivalents	$ 1,681	$ 259,603	$ 259,531	$ 1,753
Due from Other Funds	14,947	16,315	14,947	16,315
Total Assets	$ 16,628	$ 275,918	$ 274,478	$ 18,068
LIABILITIES				
Due to Other Funds	$ 2,724	$ 1,878	$ 2,724	$ 1,878
Other Liabilities	13,904	261,268	258,982	16,190
Total Liabilities	$ 16,628	$ 263,146	$ 261,706	$ 18,068

Continued on next page.

STATE OF MONTANA

Combining Statement of Changes in Assets and Liabilities—Continued

Agency Funds

For the Fiscal Year Ended June 30, 1986

(Expressed in Thousands)

FUND	BALANCE July 1, 1985	Additions	Deductions	BALANCE June 30, 1986
INVESTMENT POOL				
ASSETS				
Cash and Cash Equivalents	$ 375,139	$15,204,206	$15,227,022	$ 352,323
Receivables (Net)	13,999	990	14,813	176
Due from Other Funds	16,373	1,840	16,373	1,840
Investments	174,985	138,267	137,991	175,261
Total Assets	$ 580,496	$15,345,303	$15,396,199	$ 529,600
LIABILITIES				
Accounts Payable	$ -	$ 1	$ -	$ 1
Due to Other Governments	9,056	16,288	9,056	16,288
Due to Other Funds	30,124	7,818	30,124	7,818
Property Held in Trust	538,426	336,118	387,104	487,440
Allowance for Realized Gains (Losses)	2,890	11,960	1,140	13,710
Other Liabilities	-	4,343	-	4,343
Total Liabilities	$ 580,496	$ 376,528	$ 427,424	$ 529,600
BANK LIQUIDATION				
ASSETS				
Cash and Cash Equivalents	$ 30	$ 30	$ 60	$ -
LIABILITIES				
Property Held in Trust	$ 30	$ -	$ 30	$ -
CHILD SUPPORT COLLECTIONS				
ASSETS				
Cash and Cash Equivalents	$ 1,035	$ 4,391	$ 4,860	$ 566
Receivables (Net)	-	3	3	-
Due from Other Funds	-	10	-	10
Total Assets	$ 1,035	$ 4,404	$ 4,863	$ 576
LIABILITIES				
Accounts Payable	$ 25	$ 31	$ 25	$ 31
Due to Other Funds	449	-	449	-
Property Held in Trust	561	-	16	545
Total Liabilities	$ 1,035	$ 31	$ 490	$ 576
BAD DEBTS				
ASSETS				
Cash and Cash Equivalents	$ 13	$ 799	$ 798	$ 14
Receivables (Net)	62	37,829	37,891	-
Due from Other Funds	-	13	-	13
Total Assets	$ 75	$ 38,641	$ 38,689	$ 27
LIABILITIES				
Interfund Loans Payable	$ -	$ 25	$ 25	$ -
Due to Other Funds	63	16	63	16
Property Held in Trust	12	317	318	11
Other Liabilities	-	1,331	1,331	-
Total Liabilities	$ 75	$ 1,689	$ 1,737	$ 27

Continued on next page.

STATE OF MONTANA

Combining Statement of Changes in Assets and Liabilities--Continued
Agency Funds
For the Fiscal Year Ended June 30, 1986
(Expressed in Thousands)

FUND	BALANCE July 1, 1985	Additions	Deductions	BALANCE June 30, 1986
DEPOSITS				
ASSETS				
Cash and Cash Equivalents	$ 6,373	$ 11,117	$ 14,660	$ 2,830
Receivables (Net)	2	2	2	2
Interfund Loans Receivable	-	3,200	200	3,000
Due from Other Funds	25	-	25	-
Investments	-	256	28	228
Other Assets	2,304	1,274	2,042	1,536
Total Assets	$ 8,704	$ 15,849	$ 16,957	$ 7,596
LIABILITIES				
Accounts Payable	$ 34	$ 173	$ 152	$ 55
Due to Other Funds	118	225	118	225
Property Held in Trust	7,336	8,780	10,278	5,838
Other Liabilities	1,216	3,051	2,789	1,478
Total Liabilities	$ 8,704	$ 12,229	$ 13,337	$ 7,596
CUSTODIAL ACCOUNTS				
ASSETS				
Cash and Cash Equivalents	$ 5,354	$ 9,593	$ 12,521	$ 2,426
Due from Other Funds	2,431	2,640	5,070	1
Advances to Investment Pool	33	-	-	33
Total Assets	$ 7,818	$ 12,233	$ 17,591	$ 2,460
LIABILITIES				
Accounts Payable	$ 14	$ 3	$ 12	$ 5
Due to Other Funds	6,885	1,543	6,885	1,543
Property Held in Trust	919	8,474	8,482	911
Other Liabilities	-	17	16	1
Total Liabilities	$ 7,818	$ 10,037	$ 15,395	$ 2,460
INDUSTRIAL INSURANCE LIQUIDATION				
ASSETS				
Other Assets	$ 13,969	$ 450	$ 255	$ 14,164
LIABILITIES				
Property Held in Trust	$ 13,969	$ 450	$ 255	$ 14,164
TOTALS—ALL AGENCY FUNDS				
ASSETS				
Cash and Cash Equivalents	$ 426,000	$21,221,753	$21,258,515	$ 389,238
Receivables (Net)	15,891	39,594	55,237	248
Interfund Loans Receivable	-	4,715	1,715	3,000
Due from Other Governments	94	257	94	257
Due from Other Funds	45,555	30,904	49,013	27,446
Advances to Investment Pool	33	-	-	33
Investments	203,264	151,220	144,349	210,135
Other Assets	16,273	7,218	7,791	15,700
TOTAL ASSETS	**$ 707,110**	**$21,455,661**	**$21,516,714**	**$ 646,057**
LIABILITIES				
Accounts Payable	$ 2,917	$ 2,108	$ 3,305	$ 1,720
Interfund Loans Payable	-	150	150	-
Due to Other Governments	22,890	16,342	19,135	20,097
Due to Other Funds	74,389	43,430	74,390	43,429
Property Held in Trust	587,571	363,639	408,809	542,401
Allowance for Realized Gains (Losses)	2,890	11,960	1,140	13,710
Other Liabilities	16,453	3,862,726	3,854,479	24,700
TOTAL LIABILITIES	**$ 707,110**	**$ 4,300,355**	**$ 4,361,408**	**$ 646,057**

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HIGHER EDUCATION FUNDS

The Higher Education Funds are used to account for all transactions relating to the State's public institutions of higher education, including six university units and five vocational-technical centers. A brief description of each Higher Education Fund follows.

Current Funds

Unrestricted

General Operating - This fund includes the portion of financial resources that can be expended for general operations and is free of externally imposed restrictions, except those imposed by the Legislature.

Designated - This fund includes financial resources associated with general operations but are separately classified in order to accumulate costs that are to be recharged to other funds. It also identifies educational departments' special activities that are fully supported by supplemental assessments and identifies special supply and facility fees that are approved for collections beyond normal course fees and their disposition.

Auxiliary - This fund includes those financial resources devoted to providing essential on-campus services primarily to students, faculty or staff where a fee relating to the service is charged.

Restricted - This fund includes the portion of financial resources that can be expended for general operations but only for purposes imposed by sources external to the Board of Regents and the Legislature.

Fiduciary Funds

Student Loans - Accounts for monies which may be loaned to students, faculty or staff for purposes related to education, organized research or public services by the higher education system.

Endowment - Accounts for monies where the principal is available for investment. Investment earnings are to be transferred to appropriate operating funds pursuant to prevailing administrative requirements.

Agency - Accounts for monies where the State acts in the capacity of a custodian or fiscal agent for individual students, faculty, staff or qualified organizations.

Plant Funds

Unexpended - Accounts for unexpended resources derived from various sources to finance the acquisition of plant assets and the associated liabilities.

Renewal and Replacement - This fund's resources provide for the renewal and replacement of plant fund assets as distinguished from additions and improvements.

Retirement of Indebtedness - This fund accumulates resources for interest and principal payments and other debt service charges, including contributions to reserves, relating to plant fund indebtedness.

Investment in Plant - This fund includes all long-lived assets in the service of the higher education unit as well as all associated liabilities.

STATE OF MONTANA
Combining Balance Sheet
All Higher Education Funds
June 30, 1986
(Expressed in Thousands)

	CURRENT FUNDS			
	UNRESTRICTED			
	GEN. OPERATING	DESIGNATED	AUXILIARY	RESTRICTED
ASSETS				
Cash and Cash Equivalents	$ 7,811	$ 3,100	$ 1,458	$ 2,817
Cash with Fiscal Agent	-	-	-	-
Receivables (Net)	572	710	808	3,039
Interfund Loans Receivable	2,561	-	-	-
Due from Other Governments	-	-	-	1,113
Due from Other Funds	2,821	2,649	905	968
Inventories	94	2,281	2,317	-
Advances to Investment Pool	203	358	7,270	1,196
Long-Term Notes/Loans Receivable	-	43	-	-
Investments	-	-	-	2
Land	-	-	-	-
Buildings and Improvements	-	-	-	-
Equipment	-	-	-	-
Other Fixed Assets	-	-	-	-
Construction in Progress	-	-	-	-
Intangible Assets	-	-	-	-
Other Assets	600	175	23	15
TOTAL ASSETS	**$ 14,662**	**$ 9,316**	**$ 12,781**	**$ 9,150**
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable and Accruals	$ 8,986	$ 1,249	$ 1,445	$ 1,428
Interfund Loans Payable	-	1,968	-	688
Due to Other Governments	-	1	-	265
Due to Other Funds	3,430	1,763	977	2,551
Deferred Revenue	1,133	49	246	2,928
Installment Purchase/Lease Payable	-	-	-	-
Long-Term Notes/Bonds Payable	-	-	-	-
Property Held in Trust	13	129	207	67
Compensated Absences Payable	11,298	626	772	-
Estimated Insurance Claims	-	-	1,157	-
Other Liabilities	430	13	237	-
Total Liabilities	**25,290**	**5,798**	**5,041**	**7,927**
Fund Balances:				
Net Investment in Plant	-	-	-	-
Reserved For:				
Debt Service	-	-	-	-
Encumbrances	461	108	10	77
Student Loans/Endowments	-	-	-	-
Insurance Claims	-	-	3,207	-
Unreserved	(11,089)	3,410	4,523	1,146
Total Fund Balances	**(10,628)**	**3,518**	**7,740**	**1,223**
TOTAL LIABILITIES AND FUND BALANCES	**$ 14,662**	**$ 9,316**	**$ 12,781**	**$ 9,150**

FIDUCIARY FUNDS			PLANT FUNDS				TOTALS	
STUDENT LOANS	ENDOWMENTS	AGENCY	UNEXPENDED	RENEWAL AND REPLACEMENT	RETIREMENT OF INDEBT.	INVESTMENT IN PLANT	June 30, 1986	June 30, 1985
$ 338	$ 52	$ 1,078	$ 469	$ 848	$ 926	$ -	$ 18,897	$ 40,249
50	-	-	4,417	912	2,469	-	7,848	13,130
15,212	1	203	1,109	66	411	-	22,131	21,225
-	-	55	154	635	-	-	3,405	4,662
2	-	-	-	-	-	-	1,115	2,347
39	-	1,472	310	880	164	-	10,208	7,672
-	-	-	-	-	-	-	4,692	4,760
1,004	1,860	938	1,013	609	881	-	15,332	13,197
-	-	-	-	-	-	-	43	-
-	121	172	24,624	562	6,931		32,412	3,175
-	-	-	-	-	-	8,876	8,876	8,687
-	-	-	-	-	-	233,385	233,385	205,040
-	-	-	-	-	-	79,991	79,991	87,614
-	-	-	-	-	-	41,650	41,650	27,247
-	-	-	9,006	210	-	5,008	14,224	12,552
-	-	-	-	-	-	252	252	114
-	-	4	294	29	30	-	1,170	6,335
$ 16,645	**$ 2,034**	**$ 3,922**	**$ 41,396**	**$ 4,751**	**$ 11,812**	**$ 369,162**	**$ 495,631**	**$ 458,006**
$ 7	$ -	$ 623	$ 113	$ 23	$ 857	$ -	$ 14,731	$ 18,189
-	-	30	394	-	325	-	3,405	4,662
-	-	-	-	-	-	-	266	33
126	-	1,420	193	73	846	-	11,379	7,467
-	-	-	17	-	30	-	4,403	1,139
-	-	-	-	-	-	1,145	1,145	219
-	-	-	32,171	511	-	44,745	77,427	55,722
-	-	1,641	-	-	-	-	2,057	3,384
-	-	-	-	-	-	-	12,696	12,214
-	-	-	-	-	-	-	1,157	-
40	-	208	126	-	21	-	1,075	1,644
173	**-**	**3,922**	**33,014**	**607**	**2,079**	**45,890**	**129,741**	**104,673**
-	-	-	-	-	-	323,272	323,272	310,177
-	-	-	-	-	9,733	-	9,733	18,476
-	-	-	672	5	-	-	1,333	1,102
12,208	1,999	-	-	-	-	-	14,207	13,618
-	-	-	-	-	-	-	3,207	-
4,264	35	-	7,710	4,139	-	-	14,138	9,960
16,472	**2,034**	**-**	**8,382**	**4,144**	**9,733**	**323,272**	**365,890**	**353,333**
$ 16,645	**$ 2,034**	**$ 3,922**	**$ 41,396**	**$ 4,751**	**$ 11,812**	**$ 369,162**	**$ 495,631**	**$ 458,006**

STATE OF MONTANA

SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - GENERAL OPERATING SUBFUND
FOR FISCAL YEAR ENDING JUNE 30, 1986 (EXPRESSED IN THOUSANDS)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
BILLINGS VO TECH				
INSTRUCTION	$ 1,202		$ 1,140	$ 62
PLANT OPERATION & MAINTENANCE	352		251	101
SUPPORT	500		495	5
TOTAL AGENCY	**$ 2,054**		**$ 1,886**	**$ 168**
BUTTE VO TECH				
INSTRUCTION	945		880	65
PLANT OPERATION & MAINTENANCE	213		210	3
SUPPORT	490		487	3
TOTAL AGENCY	**$ 1,648**		**$ 1,577**	**$ 71**
GREAT FALLS VO TECH				
INSTRUCTION	1,037		1,035	2
PLANT OPERATION & MAINTENANCE	189		178	11
SUPPORT	483		466	17
TOTAL AGENCY	**$ 1,709**		**$ 1,679**	**$ 30**
HELENA VO TECH				
INSTRUCTION	1,522		1,459	63
PLANT OPERATION & MAINTENANCE	337		321	16
SUPPORT	594		592	2
TOTAL AGENCY	**$ 2,453**		**$ 2,372**	**$ 81**
MISSOULA VO TECH				
INSTRUCTION	1,564		1,546	18
PLANT OPERATION & MAINTENANCE	358		326	32
SUPPORT	739		729	10
TOTAL AGENCY	**$ 2,661**		**$ 2,601**	**$ 60**
UNIVERSITY OF MONTANA				
INSTRUCTION	18,955		18,895	60
ORGANIZED RESEARCH	643		631	12
PUBLIC SERVICE	225		211	14
ACADEMIC SUPPORT	4,109		4,083	26

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - GENERAL OPERATING SUBFUND
FOR FISCAL YEAR ENDING JUNE 30, 1986 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
UNIVERSITY OF MONTANA				
STUDENT SUPPORT	$ 2,954		$ 2,933	$ 21
INSTITUTIONAL SUPPORT	3,060		2,999	61
OPERATION & MAINT OF PLANT	5,103		5,099	4
SCHOLARSHIPS & FELLOWSHIPS PGM	903		898	5
TOTAL AGENCY	**$ 35,952**		**$ 35,749**	**$ 203**
MONTANA STATE UNIVERSITY				
INSTRUCTION	25,222		25,188	34
ORGANIZED RESEARCH	586		578	8
PUBLIC SERVICE	10		10	0
ACADEMIC SUPPORT	5,946		5,916	30
STUDENT SERVICE	4,220		4,216	4
INSTITUTIONAL SUPPORT	3,483		3,453	30
OPERATION & MAINT OF PLANT	4,971		4,853	118
SCHOLARSHIPS & FELLOWSHIPS PGM	897		897	0
TOTAL AGENCY	**$ 45,335**		**$ 45,111**	**$ 224**
MONT COLLEGE OF MIN SC & TECH				
INSTRUCTION	4,343		4,301	42
ORGANIZED RESEARCH	51		50	1
ACADEMIC SUPPORT	749		747	2
STUDENT SERVICES	1,034		1,031	3
INSTITUTIONAL SUPPORT	1,011		1,000	11
OPERATION & MAINT OF PLANT	1,321		1,313	8
SCHOLARSHIPS & FELLOWSHIPS PGM	295		294	1
INDEPENDENT OPERATIONS	1,527		1,526	1
TOTAL AGENCY	**$ 10,331**		**$ 10,262**	**$ 69**
EASTERN MONTANA COLLEGE				
INSTRUCTION	6,677		6,676	1
PUBLIC SERVICE	225		225	0
ACADEMIC SUPPORT	1,650		1,649	1
STUDENT SERVICE	1,555		1,555	0
INSTITUTIONAL SUPPORT	1,435		1,411	24
OPERATION & MAINT OF PLANT	1,950		1,950	0
SCHOLARSHIPS & FELLOWSHIPS PGM	313		313	0
TOTAL AGENCY	**$ 13,805**		**$ 13,779**	**$ 26**

STATE OF MONTANA

SCHEDULE OF EXPENDITURES AND TRANSFERS OUT

BUDGET AND ACTUAL (BUDGET BASIS) - GENERAL OPERATING SUBFUND

FOR FISCAL YEAR ENDING JUNE 30, 1986 (EXPRESSED IN THOUSANDS)

(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
NORTHERN MONTANA COLLEGE				
INSTRUCTION	$ 3,803		$ 3,766	$ 37
PUBLIC SERVICE	9		9	0
ACADEMIC SUPPORT	812		812	0
STUDENT SERVICES	851		851	0
INSTITUTIONAL SUPPORT	786		777	9
OPERATION & MAINT OF PLANT	1,087		1,082	5
SCHOLARSHIPS & FELLOWSHIPS PGM	238		238	0
TOTAL AGENCY	**$ 7,586**		**$ 7,535**	**$ 51**
WESTERN MONTANA COLLEGE				
INSTRUCTION	1,794		1,790	4
ACADEMIC SUPPORT	248		244	4
STUDENT SERVICES	587		585	2
INSTITUTIONAL SUPPORT	568		554	14
OPERATION & MAINT OF PLANT	689		688	1
SCHOLARSHIPS & FELLOWSHIPS PGM	75		75	0
TOTAL AGENCY	**$ 3,961**		**$ 3,936**	**$ 25**
AGRICULTURAL EXPER STATION				
AGRICULTURAL EXPER STATION	9,189		8,547	642
TOTAL AGENCY	**$ 9,189**		**$ 8,547**	**$ 642**
COOPERATIVE EXTENSION SERVICE				
COOPERATIVE EXTENSION SERVICE	4,280		4,051	229
TOTAL AGENCY	**$ 4,280**		**$ 4,051**	**$ 229**
FORESTRY & CONS EXPER STATION				
RESEARCH	674		672	2
TOTAL AGENCY	**$ 674**		**$ 672**	**$ 2**

GENERAL FIXED ASSETS ACCOUNT GROUP

The General Fixed Assets Account Group is maintained to account for fixed assets acquired or constructed for use in operations which are accounted for in governmental funds. These include all fixed assets except those of the Enterprise, Internal Service, Nonexpendable Trust, Pension Trust and Higher Education Funds.

STATE OF MONTANA
Schedule of General Fixed Assets by Function and Activity
June 30, 1986
(Expressed in Thousands)

Function and Activity	Land	Buildings and Improvements	Equipment and Other Fixed Assets	Total
General Government				
Legislative	$ -	$ 2	$ 800	$ 802
Executive	2,713	36,073	3,937	42,723
Judicial	-	-	632	632
Total General Government	2,713	36,075	5,369	44,157
Public Safety and Corrections				
Law Enforcement	12	9,287	6,140	15,439
Corrections	284	15,784	3,558	19,626
Prof. and Bus. Regulation	-	-	838	838
Safety	-	-	849	849
Total Public Safety	296	25,071	11,385	36,752
Transportation	1,154	27,085	7,932	36,171
Health and Social Services				
Health and Environment	-	290	3,767	4,057
Social Services and Welfare	232	7,735	3,231	11,198
Mental Health	87	19,345	4,528	23,960
Veterans Affairs	-	2,589	511	3,100
Total Health and Social Services	319	29,959	12,037	42,315
Educational and Cultural				
Educational	119	8,177	4,766	13,062
Cultural	-	-	290	290
Total Educational and Cultural	119	8,177	5,056	13,352
Resource Development and Recreation				
Resource Development	2,830	20,143	6,864	29,837
Recreation	30,608	6,525	3,740	40,873
Agricultural	-	-	710	710
Total Resource Development and Recreation	33,438	26,668	11,314	71,420
Economic Development and Assistance	317	3,617	7,202	11,136
Total Allocated to Functions	$ 38,356	$ 156,652	$ 60,295	255,303
Construction Work-in-Progress				17,817
Total General Fixed Assets				$ 273,120

STATE OF MONTANA
Schedule of General Fixed Assets by Source
June 30, 1986
(Expressed in Thousands)

General Fixed Assets:	
Land	$ 38,356
Buildings and Other Improvements	156,652
Equipment	59,218
Other Fixed Assets	1,077
Construction Work-in-Progress	17,817
Total General Fixed Assets	$ 273,120
Investment in General Fixed Assets From:	
General Fund Fixed Assets	$ 161,098
State and Other Special Revenue Funds' Fixed Assets	66,899
Federal Special Revenue Fund Fixed Assets	28,737
Capital Projects Funds' Fixed Assets	9,169
Donated Fixed Assets	7,217
Total Investment in General Fixed Assets	$ 273,120

STATISTICAL AND ECONOMIC DATA

Financial presentations included in this section provide users a better historical perspective through detailed data on economic and social characteristics, financial trends and the fiscal capacity of the State.

STATE OF MONTANA
EXPENDITURES BY FUNCTION
ALL GOVERNMENTAL FUND TYPES

Last Four Fiscal Years (1)
(Expressed in Thousands)

	1983	1984	1985	1986
General Government	$ 73,748	$ 50,420	$ 51,268	$ 56,461
Public Safety and Corrections	46,576	50,646	56,191	57,382
Transportation	161,891	213,698	264,285	269,806
Health and Social Services	248,355	270,033	291,851	304,708
Education and Cultural	203,919	213,977	222,631	231,984
Resource Development and Recreation	43,588	45,698	51,675	52,385
Economic Development and Assistance	34,367	76,198	84,866	87,887
Debt Service:				
Principal Retirement	3,734	61,311	7,586	55,491
Interest and Fiscal Charges	7,244	12,944	16,829	21,957
Capital Outlay	25,701	30,159	39,096	41,118
Total	$ 849,123	$ 1,025,084	$ 1,086,278	$ 1,179,179

NOTE: (1) Comparable expenditures by function are not available for fiscal years prior to 1983.

STATE OF MONTANA
REVENUES BY SOURCE
ALL GOVERNMENTAL FUND TYPES

Last Four Fiscal Years (1)
(Expressed in Thousands)

	1983	1984	1985	1986
Licenses and Permits	$ 53,400	$ 51,156	$ 63,744	$ 77,537
Taxes	401,895	474,850	519,175	512,456
Charges for Services, Fines and Forfeits	10,296	27,899	18,635	35,125
Investment Earnings	86,051	105,624	118,036	68,879
Reimbursements	19,083	11,826	15,681	-
Sale of Documents, Mdse. and Property	5,953	2,298	16,245	15,220
Rentals, Leases and Royalties	1,139	1,350	1,389	888
Contributions and Premiums	42	271	341	280
Grants, Contracts and Donations	7,238	1,924	2,034	3,942
Federal	281,502	336,201	390,240	400,247
Federal Indirect Cost Recoveries	-	-	-	3,032
Other Revenues	1,707	2,902	2,372	6,967
TOTAL	$ 868,306	$ 1,016,301	$ 1,147,892	$ 1,124,573

NOTE: (1) Comparable revenues by source are not available for fiscal years prior to 1983.

STATE OF MONTANA
PROPERTY TAX LEVIES AND COLLECTIONS (1)

Last Ten Fiscal Years
(Expressed in Thousands)

Fiscal Year(1)	Total Tax Levy (a)	Total Tax Collections (b)	Percent of Total Tax Collections To Tax Levy
1977	$ 12,327	$ 12,123	98.3%
1978	12,126	11,991	98.9
1979	15,356	15,194	98.9
1980	13,984	13,575	97.1
1981	13,587	13,060	96.1
1982	13,714	13,901	101.4
1983	15,084	14,213	94.2
1984	14,987	15,018	100.2
1985	16,025	17,014	106.2
1986	16,272	16,879	103.7

NOTE: (1) Property taxes are levied in one fiscal year and collected in subsequent fiscal years (i.e., the fiscal year column relates to the column "Total Tax Collections" only).

SOURCES: (a) Montana Department of Revenue Reports to the Legislature
(b) 1977-1986 Montana Statewide Budgeting and Accounting System

STATE OF MONTANA
TAXABLE AND MARKET (ASSESSED) VALUE OF PROPERTY (1)

Last Ten Fiscal Years
(Expressed in Thousands)

	Real Property		Personal Property		Total		
Fiscal Year	Taxable Value	Assessed Value	Taxable Value	Assessed Value	Taxable Value	Assessed Value	Ratio of Total Taxable to Total Market (Assessed) Value
1976	$ 984,458	$ 2,780,688	$ 407,477	$ 1,997,717	$ 1,391,935	$ 4,778,405	29.1%
1977	1,047,428	3,010,476	419,316	2,095,349	1,466,744	5,105,825	28.7
1978	1,132,364	8,713,629	435,921	4,390,091	1,568,285	13,103,720	12.0
1979	1,153,518	9,006,273	468,434	4,735,543	1,621,952	13,741,816	11.8
1980	1,335,994	9,672,954	509,015	5,455,106	1,845,009	15,128,060	12.2
1981	1,514,913	10,169,188	505,718	5,702,783	2,020,631	15,871,971	12.7
1982	1,820,293	11,179,906	384,199	4,772,574	2,204,492	15,952,480	13.8
1983	1,881,320	11,901,426	352,065	3,895,305	2,233,385	15,796,731	14.1
1984	1,947,241	12,598,756	383,642	4,133,338	2,330,883	16,732,094	13.9
1985	2,016,373	13,094,912	353,760	3,855,595	2,370,133	16,950,507	14.0

NOTE: (1) - Taxable property in Montana must be assessed at 100% of its market value except mining property and agricultural lands. Mining property is assessed based on net and gross proceeds from mineral production. The assessment on agricultural land is based on productive capacity.

- Taxable value is that against which the mill levy is applied. These values are arrived at by the appropriate ratios found in Montana's Classification Act to the assessed values (e.g., the taxable value of residential property is 30% of its assessed value).

- Assessed value was changed from varying percentages of market value to full market value in 1978.

SOURCE: Montana Department of Revenue Reports to the Legislature

STATE OF MONTANA
PROPERTY TAX RATES—ALL OVERLAPPING GOVERNMENTS
(PER $100 OF TAXABLE VALUE)
Last Ten Fiscal Years

Fiscal Year	State of Montana Special Revenue Funds	Schools	Counties	Cities	Miscellaneous	Total
1976	$ .89	$ 11.30	$ 4.49	$ 2.73	$ 0.74	$ 20.15
1977	.83	11.71	4.52	2.59	0.93	20.58
1978	.98	11.95	4.48	2.76	1.00	21.17
1979	.86	13.03	4.71	2.89	1.15	22.64
1980	.74	13.29	4.67	2.86	1.12	22.68
1981	.68	13.35	4.79	2.83	1.22	22.87
1982	.68	12.76	4.78	1.80	2.04	22.06
1983	.67	12.90	4.96	2.71	1.37	22.61
1984	.69	14.12	4.86	2.78	1.32	23.77
1985	.69	13.98	5.19	2.95	1.33	24.14

SOURCE: Montana Department of Revenue Reports to the Legislature

STATE OF MONTANA
PROPERTY TAX MILL LEVY FOR STATE PURPOSES

This portion of the property tax levy was developed to provide a nondiscriminatory method of financing public education in Montana. The State has statutory authority to levy up to six mills for the support of the State's higher education system. Until 1981, additional levies for equalization of school funding were levied from time to time to cover deficiencies in the school equalization account. The General Fund is now charged with making up any deficiencies in the equalization system. In addition, the Legislature is directed by law to levy at each legislative session a tax of up to 2 mills on all taxable property in the State to provide for any deficiencies in the General Fund.

Levy Year	Higher Education System	Primary and Secondary Schools	Total Mill Levy
1977	6.00	1.60	7.60
1978	5.94	1.05	6.99
1979	6.00	3.20	9.20
1980	6.00	1.00	7.00
1981	5.65	-	5.65
1982	6.00	-	6.00
1983	5.86	-	5.86
1984	6.00	-	6.00
1985	6.00	-	6.00
1986	6.00	-	6.00

Each mill represents one dollar of tax levied on each thousand dollars worth of taxable property. The amount of property taxes needed for the year (net levy) is divided by the percentage determined collectible. This gross levy is then divided by the assessed valuation to arrive at the mill levy. For example, 1984's 6.0 mills would levy a tax of $36.00 on property with a taxable value of $6,000.

SOURCE: Montana Department of Revenue, Research and Information Division

STATE OF MONTANA
RATIO OF DIRECT STATE DEBT TO ASSESSED VALUE AND DIRECT STATE DEBT PER CAPITA

Last Ten Fiscal Years

Fiscal Year	(Expressed in Thousands)			Direct State Debt Per	
	Population(a)	Assessed Value(1)(b)	Direct State Debt(2)(c)	Assessed Value	Capita
1977	768	$ 5,105,826	$ 7,195	.14	$ 9.37
1978	780	13,103,730	6,975	.05	8.94
1979	786	13,741,817	10,538	.08	13.41
1980	787	15,128,059	29,356	.19	37.30
1981	795	15,871,972	27,345	.17	34.40
1982	805	15,952,480	62,362	.39	77.47
1983	817	15,796,731	57,940	.37	70.92
1984	824	16,732,094	107,541	.64	130.51
1985	826	16,950,507	100,835	.59	122.08
1986	N/A	N/A	106,814	.63*	129.31*

N/A—Information not available.

* Calculated using 1985 information.

NOTE:
(1) Assessed value was changed from varying percentages of market value to full market value in 1978.
(2) Includes only General Obligation Bonds.

SOURCES:
(a) U.S. Department of Commerce, Bureau of the Census
(b) Montana Department of Revenue Reports to the Legislature
(c) Summary of State Bonded Debt 1986

STATE OF MONTANA
RATIO OF ANNUAL DEBT SERVICE TO TOTAL GENERAL EXPENDITURES

Last Ten Fiscal Years
(Expressed in Thousands)

Fiscal Year	Total Debt Service	Total General Expenditures	Ratio
1977	$ 3,967	$ 565,177	0.70%
1978	4,739	591,208	0.80
1979	3,676	625,670	0.59
1980	6,229	686,686	0.91
1981	6,323	730,401	0.87
1982	12,576	813,767	1.55
1983	10,978	849,123	1.29
1984	74,255	1,025,084	7.24
1985	24,415	1,086,278	2.25
1986	77,448	1,179,179	6.57

SOURCE: Montana Financial Reports 1977-1986

STATE OF MONTANA
REVENUE BOND COVERAGE
DISCRETE ENTITIES (1)
Last Six Fiscal Years (2)
(Expressed in Thousands)

Fiscal Year	Gross Revenues	Operating Expenses	Net revenue available for debt service(3)	Debt Service Requirements	
				Total	Coverage
1980	$ 36,208	$ 14,321	$ 22,549	$ 14,492	1.56
1981	42,516	15,999	27,205	21,113	1.29
1982	47,511	19,083	29,112	23,544	1.24
1983	55,487	21,199	35,012	32,094	1.09
1984	66,948	20,152	46,796	41,279	1.13
1985	43,918	29,482	14,436	7,389	1.95

NOTE: (1) Discrete entities for 1985 include State-owned universities and colleges. Prior to 1985 the Montana Board of Housing was also included as a discrete entity. (Information to calculate the coverage for the Montana College of Mineral Science and Technology was not available until 1985 since no yearly audit was required for their revenue bonds exclusive of the college as a whole.)

(2) Comprehensive information was unavailable prior to fiscal year 1980.

(3) During 1980 through 1984 net revenues were defined by the bond resolution for the University of Montana's Building Fees Resolution. No gross revenue or operating expense figures were available for this resolution, therefore, the difference between gross and operating revenues does not equal the net revenue available for debt service each year reported above. This difference is equal to the amount of net revenues defined by the Building Fees Resolution. Total debt service requirements and coverage are not affected.

SOURCE: Annual audit reports for each discrete entity

STATE OF MONTANA
ANALYSIS OF OUTSTANDING BONDED DEBT BY RANGE OF INTEREST RATE
June 30, 1986
(Expressed in Thousands)

Range of Interest Rate (1)	Outstanding Debt	% of Total Outstanding Bonded Debt
2.01 to 3.00	$ 2,735	0.99%
3.01 to 4.00	958	0.35
4.01 to 5.00	5,052	1.83
5.01 to 6.00	5,620	2.03
6.01 to 7.00	39,740	14.35
7.01 to 8.00	73,245	26.45
8.01 to 9.00	80,125	28.94
9.01 to 10.00	69,393	25.06
Total State Debt	$ 276,868 (2)	100.00%

NOTE: (1) Face value coupon rates.

(2) Excludes bonds/notes of Montana's Board of Housing, Economic Development Board and Health Facilities Authority.

SOURCE: Summary of State Bonded Debt 1986

STATE OF MONTANA
PROPERTY VALUE, CONSTRUCTION, AND BANK DEPOSITS (1)

Last Ten Fiscal Years

(Expressed in thousands, except for number of permits)

Fiscal Year	Residential Construction(a)		Commercial Construction (b)		Bank Deposits(c)
	Number of permits issued	Valuation*	Number of permits issued	Cost of construction	
1976	4,750	$ 101,035	N/A	$ N/A	$ 3,689,736
1977	5,627	130,579	N/A	N/A	4,181,140
1978	4,817	128,945	N/A	N/A	4,701,078
1979	3,121	90,077	N/A	N/A	5,079,688
1980	2,374	71,361	N/A	N/A	5,459,614
1981	1,954	68,085	324	32,383	5,961,142
1982	2,052	70,729	279	26,497	6,306,971
1983	3,057	131,167	269	30,636	6,859,295
1984	2,837	129,019	251	38,537	7,353,755
1985	2,034	86,925	295	33,018	7,615,431

Fiscal Year	Property (Assessed) Values (d)					
	Agriculture	Commercial/ Industrial	Personal/ Real	Utilities	Other**	Total
1976	$ 585,335	$ 131,653	$ 3,184,071	$ 318,877	$ 558,469	$ 4,778,405
1977	597,059	133,599	3,371,518	340,083	663,566	5,105,825
1978	1,040,153	746,105	9,259,972	930,450	1,127,040	13,103,720
1979	1,069,826	758,507	9,789,906	957,929	1,165,648	13,741,816
1980	1,106,475	864,620	10,710,413	1,582,788	863,764	15,128,060
1981	1,148,841	1,019,930	11,076,029	1,794,413	832,758	15,871,971
1982	1,170,436	1,513,659	9,556,177	2,663,227	1,048,981	15,952,480
1983	1,234,102	2,081,796	8,301,769	3,088,980	1,090,084	15,796,731
1984	1,260,872	2,188,062	8,683,164	3,529,623	1,070,373	16,732,094
1985	1,264,861	2,412,051	8,752,473	3,395,396	1,125,726	16,950,507

N/A-Information not available

* 1980-1984: Information on publicly owned (contract awards) housing units was not available.

**Other property includes mining, coal and miscellaneous.

NOTE: (1) -Nontaxable property value information is not available.
-Assessed value was changed from varying percentages of market value to market value in 1978.
-Bank deposits are the aggregate of State Banks and Trust Companies, National Banks, Savings and Loans and Credit Unions. Credit Union balances are as of the previous December 31, all others are as of June 30.

SOURCES: (a) -U.S. Department of Commerce, Bureau of the Census
(b) -Montana Department of Commerce - Building Codes Division
(c) -Montana Department of Commerce - State Banks and Trust Companies, and National Banks
-Federal Home Loan Bank of Seattle - Savings and Loans
-Montana Credit Unions League - Credit Unions
(d) -Montana Department of Revenue Reports to the Legislature

STATE OF MONTANA
INCOME DATA
Total Personal Income
(Millions)

	Montana		Rocky Mountain Region(1)		United States	
Year	Amount	% Increase	Amount	% Increase	Amount	% Increase
1976	$ 4,216		$ 35,062		$ 1,374,189	
1977	4,585	8.7	39,353	12.2	1,522,766	10.8
1978	5,425	18.3	45,606	15.9	1,709,616	12.3
1979	5,954	9.8	53,220	16.7	1,942,655	13.6
1980	6,570	10.3	60,230	13.2	2,156,715	11.0
1981	7,364	12.1	68,797	14.2	2,420,098	12.2
1982	7,813	6.1	74,061	7.7	2,575,793	6.4
1983	8,193	4.9	78,166	5.5	2,733,579	6.1
1984	8,741	6.7	85,207	9.0	3,016,317	10.3
1985	8,873	1.5	89,538	5.1	3,206,597	6.3
Average Annual Rate of Growth		8.71%		11.06%		9.89%

Per Capita Income

	Montana		Rocky Mountain Region(1)		United States	
Year	Amount	% Increase	Amount	% Increase	Amount	% Increase
1976	$ 5,583		$ 6,066		$ 6,401	
1977	5,988	7.2	6,645	9.5	7,038	10.0
1978	6,915	15.5	7,521	13.2	7,840	11.4
1979	7,545	9.1	8,265	9.9	8,651	10.3
1980	8,334	10.5	9,146	10.7	9,494	9.7
1981	9,253	11.0	10,177	11.3	10,544	11.1
1982	9,706	4.9	10,682	5.0	11,113	5.4
1983	10,048	3.5	11,038	3.3	11,681	5.1
1984	10,607	5.6	11,891	7.7	12,772	9.3
1985	10,728	1.1	12,377	4.1	13,451	5.3

NOTE: (1) The Rocky Mountain Region includes Montana, Colorado, Idaho, Utah and Wyoming.

SOURCE: United States Department of Commerce, Bureau of Economic Analysis
Survey of Current Business April 1986

STATE OF MONTANA
PUBLIC EDUCATION INSTITUTIONS
FALL ENROLLMENT (1)

	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986
TOTAL GRADES PRE-K-12(a)	170,547	168,730	164,326	158,208	155,073	153,435	152,401	153,646	154,412	154,072
MONTANA UNIVERSITY SYSTEM(b)										
University of Montana	8,057	7,979*	7,868	8,010	8,283	8,226	8,458	8,431	8,265	8,186
Montana State University	9,320	9,613	9,555	9,811	10,338	10,675	10,691	10,789	10,353	10,104
Montana Tech **	991	1,058	1,139	1,247	1,531	1,791	2,048	2,090	1,880	1,659
Western Montana College	597*	582	643	699	825	820**	859**	882**	880**	854**
Eastern Montana College	3,124	3,105	2,910	2,964	3,177	3,329	3,494	3,538	3,468	3,480
Northern Montana College	1,240	1,312	1,149	1,235	1,382	1,542	1,663	1,745	1,707	1,693
TOTAL UNIVERSITIES	23,329	23,649	23,264	23,966	25,536	26,383	27,213	27,475	26,553	25,976
VOCATIONAL TECHNICAL CENTERS(a)										
Billings Vo-Tech Center	N/A	N/A	546	458	521	565	490	400	448	489
Butte Vo-Tech Center	N/A	N/A	450	350	412	414	418	294	395	414
Great Falls Vo-Tech Center	N/A	N/A	387	431	530	547	540	423	428	391
Helena Vo-Tech Center	N/A	N/A	815	868	949	929	961	700	665	647
Missoula Vo-Tech Center	N/A	N/A	554	667	715	705	759	471	588	578
TOTAL VO-TECH CENTERS	N/A	N/A	2,752	2,774	3,127	3,160	3,168	2,288	2,524	2,519

* Data revised after enrollment audits

** Semester Calendar

N/A - Vocational Technical Centers' enrollment information was not available until 1979

NOTE: (1) The University System is based on fiscal year full-time equivalent enrollment. This is the basis upon which budgets for the Montana University System are established. The Vocational Technical Center's enrollment is based on contact hours. To determine full-time enrollments, total contact hours were divided by 250 prior to 1984 and 333.33 after 1983.

SOURCES: (a) Montana Office of Public Instruction
(b) Montana Commissioner of Higher Education

STATE OF MONTANA
DEMOGRAPHIC STATISTICS
Last Ten Fiscal Years

Fiscal Year	Population (1)(a)	Per Capita Income (1)(b)	Public School Enrollment Pre-K-12 (2)(c)	Montana University System Enrollment (2)(c)	Average Montana Unemploy. Rate (1)(d)	Average U.S. Unemploy. Rate (1)(d)	Average Civilian Labor Force (1)(d)	Average Total Employment (1)(d)	Average Unemployment (1)(d)
1977	768,000	$ 6,161	170,547	23,329	6.4%	7.1%	347,000	325,000	22,000
1978	780,000	7,076	168,730	23,649	6.0	6.1	370,000	348,000	22,000
1979	786,000	7,545	164,326	23,264	5.1	5.8	371,000	352,000	19,000
1980	787,000	8,334	158,208	23,966	6.1	7.1	370,000	347,000	23,000
1981	795,000	9,253	155,073	25,536	6.9	7.6	384,000	357,000	27,000
1982	805,000	9,706	153,435	26,383	8.6	9.7	392,000	358,000	34,000
1983	817,000	10,048	152,401	27,213	8.8	9.6	394,000	359,000	35,000
1984	824,000	10,607	153,646	27,475	7.4	7.5	406,000	376,000	30,000
1985	826,000	10,728	154,412	26,553	7.7	7.5	409,800	378,200	31,600
1986	N/A	N/A	154,072	25,976	8.5	7.3	402,600	368,500	34,100

N/A - Information not available

NOTE: (1) Based on calendar year.
(2) Based on academic year - includes public schools (pre-K-12) and State-owned universities and colleges.

SOURCES: (a) U.S. Department of Commerce, Bureau of the Census
(b) U.S. Department of Commerce, Bureau of Economic Analysis
(c) - Montana Office of Public Instruction - public schools
- Montana Commissioner of Higher Education - universities and colleges
(d) Montana Department of Labor and Industry, Research Bureau

EMPLOYMENT IN MONTANA INDUSTRIES (1)
(Thousands of Persons)
Last Ten Years

	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985
Durable Goods	15.3	16.3	17.4	17.9	15.2	14.2	11.7	13.0	13.8	13.5
Non-Durable Goods	8.4	8.8	8.9	9.1	9.0	9.0	8.9	9.1	8.7	8.2
Mining	6.1	6.1	7.0	7.7	8.8	11.5	9.3	7.4	7.7	6.8
Contract Construction	13.8	15.7	16.7	15.6	14.5	13.3	13.4	13.3	12.5	11.3
Transportation	12.1	12.6	13.5	14.2	13.1	13.1	12.3	11.2	11.8	12.0
Communications and Utilities	7.4	7.7	8.2	8.9	9.3	9.5	9.7	9.2	9.0	8.6
Wholesale Trade	15.1	15.8	16.5	17.4	17.8	17.9	17.2	17.1	17.4	16.8
Retail Trade	48.6	51.2	55.7	56.1	54.5	55.0	54.7	56.5	58.5	58.8
Finance, Insurance and Real Estate	10.8	11.2	12.2	12.7	12.9	12.9	12.8	13.0	13.4	13.3
Medical and Other Health Services	14.9	15.7	17.2	17.5	18.2	19.4	20.4	20.9	21.0	21.3
Other Services	32.9	33.7	35.4	36.7	36.9	36.7	35.9	36.9	38.6	38.8
Federal Government	13.7	13.6	13.6	13.9	13.8	13.6	13.1	13.0	12.8	12.4
State Colleges and Universities	9.1	8.9	8.6	7.9	8.2	7.8	8.0	8.3	8.4	8.5
Other State Government	10.4	11.1	11.1	10.8	10.8	10.4	10.0	10.3	10.5	10.8
Local Education	20.9	22.8	23.8	22.8	23.1	22.5	21.4	21.8	21.8	22.0
Other Local Government	11.6	13.6	14.6	14.7	14.3	15.0	14.9	15.0	15.2	15.3
Total Non-Farm Wage and Salary Jobs (2)	251.1	264.8	280.4	283.8	280.4	281.8	273.7	276.0	281.1	278.4

SOURCES: (1) Montana Department of Labor and Industry, Research and Analysis Bureau

(2) Establishment Data—a count of jobs by where people work

MAJOR PRIVATE EMPLOYERS IN MONTANA—1986*

(Listed in descending number of employees)

1 Burlington Northern, Inc. (railroad transportation & wood products)
2 Montana Power Company (coal mining, electric & gas services)
3 Champion International (wood & paper products)
4 Mountain Bell (communications)
5 Montana Deaconess Medical Center (Great Falls - health care)
6 K-Mart Corporation (retail)
7 St. Vincent's Hospital (Billings - health care)
8 Deaconess Medical Center (Billings - health care)
9 4 B's Restaurant Corporation (hospitality)
10 Columbia Falls Aluminum (Columbia Falls - metals)

SOURCE: Department of Commerce, Census & Economic Information Center (Western Business News)

* The two largest Montana employers are public, the U.S. Government and Montana State Government

STATE OF MONTANA
(The Treasure State)
MISCELLANEOUS STATISTICS
June 30, 1986

(1)	Date of statehood	1889 - 41st state
(1)	Form of government	Legislative-Executive-Judicial
(1)	Land area - 4th largest state	145,392 square miles
	Population Density (Based on 1985 population)	5.68 persons per square mile
(1)	Miles of paved public roads	14,400
(2)	Higher Education	
	State-owned Universities and Colleges	6
	Vocational-Technical Centers	5
(1)	Recreation:	
	Number of state parks	10
	Number of state monuments	18
	National parks (Glacier and Yellowstone)	2
(3)	State Employees (full-time equivalent)	14,681.75

Sources: (1) Official Montana 1985-86 Highway Map
(2) Montana Commissioner of Higher Education
(3) State of Montana Office of Budget and Program Planning